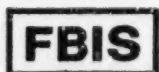


JPRS-NEA-86-090

28 JULY 1986

Near East/South Asia Report



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

28 JULY 1986

NEAR EAST/SOUTH ASIA REPORT

CONTENTS

INTERNATIONAL AFFAIRS

REGIONAL AFFAIRS

Briefs

| | |
|----------------------|---|
| IDB Loans to Algeria | 1 |
|----------------------|---|

ARAB AFRICA

ALGERIA

| | |
|--|---|
| Delegation Attends 78th OPEC Conference in SFRY (APS, 28, 29 Jun 86) | 1 |
| SFRY TV Interviews Energy Minister | 2 |
| Nabi Holds Press Conference, Departs | 3 |
| SFRY's Mikulic, Delegation Meet With Officials (TANJUG Domestic Service, 29, 30 Jun 86) | 5 |
| Bendjedid Meets With Mikulic | 5 |
| Ministers, SFRY's Ocviak Meet | 6 |
| Briefs | |
| Agricultural Talks With Tunisia | 7 |

EGYPT

| | |
|--|---|
| Expatriate Investments Encouraged by Authority (THE EGYPTIAN GAZETTE, 1 Jun 86) | 8 |
| Trade Agreement With Hungary To Be Discussed (THE EGYPTIAN GAZETTE, 22 Jun 86) | 9 |

| | |
|---|----|
| Trade Ministry Continues Leather Exports Ban (THE EGYPTIAN GAZETTE, 11 Jun 86) | 10 |
| Wafd Party Chairman Calls for Dissolution of Assembly (Fu'ad Siraj-al-Din Interview; AL-WAFD, 15 May 86) | 11 |
| Alexandria Sewage Problem Reported Solved (THE EGYPTIAN GAZETTE, 3 Jun 86) | 17 |
| Urban Renewal Plans New Community in Helwan (Hassan Amer; THE EGYPTIAN GAZETTE, 10 Jun 86) | 18 |
| Criminal Activity Reviewed at Press Conference (THE EGYPTIAN GAZETTE, 6 Jun 86) | 19 |
| Employment of University Graduates Discussed (THE EGYPTIAN GAZETTE, 2, 12 Jun 86) | 20 |
| Discussion Committee Formed | 20 |
| Solutions Proposed | 20 |
| Briefs | |
| Czechoslovakian Aid | 22 |
| Bulgarian Trade | 22 |
| Czechoslovakian Loan | 22 |
| Soviet Trade | 23 |
| Union Seeks Wage Review | 23 |
| Ban on Imported Goods | 23 |
| SUDAN | |
| Anyana II Movement, Background Discussed (AFRICA CONFIDENTIAL, 18 Jun 86) | 24 |
| TUNISIA | |
| Briefs | |
| Saudi, Kuwaiti Financial Assistance | 25 |
| WESTERN SAHARA | |
| Briefs | |
| Envoy to Angola | 26 |
| ARAB EAST/ISRAEL | |
| ISRAEL | |
| New Liberal Center Party May Disband (Sarah Honig; THE JERUSALEM POST, 6 Jun 86) | 27 |

| | |
|---|----|
| Plan for New Settlements Near Egyptian Border Proposed (Yitzhak Oked; THE JERUSALEM POST, 10 Jun 86) | 28 |
|---|----|

| | |
|--|----|
| Pollution Threatens Limited Water Reserves (Bernard Josephs; THE JERUSALEM POST, 12 Jun 86) | 29 |
|--|----|

KUWAIT

| | |
|--|----|
| Deficit Rises to 200 Million Dinars (AL-SIYASAH, 15 May 86) | 30 |
|--|----|

| | |
|---|----|
| Executive Plan of Cultural Agreement With China Signed (AL-SIYASAH, 18 May 86) | 32 |
|---|----|

| | |
|--|----|
| Rents Decrease as Number of Empty Apartments Increase (AL-SIYASAH, 21 May 86) | 33 |
|--|----|

| | |
|--|----|
| Briefs | |
| Meeting With Iranian Embassy Counselor | 35 |
| Qatar-Bahrain Dispute | 35 |

PALESTINIAN AFFAIRS

| | |
|--|----|
| PLC Representative Discusses Amman Agreement (Rafiq al-Natshah Interview; AL-YAMAMAH, 4 Jun 86) | 36 |
|--|----|

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

| | |
|--|----|
| Hadramaut Government's Agricultural Production Improved ('Aziz al-Tha'alibi; 14 UKTUBAR, 6 Apr 86) | 41 |
|--|----|

| | |
|--|----|
| Project To Develop Agriculture in Wadi Hadramaut Discussed ('Ali al-Kadi; 14 UKTUBAR, 13 Apr 86) | 43 |
|--|----|

| | |
|---|----|
| Hadramaut Local Council's Session Approves Budget (14 UKTUBAR, 7 Apr 86) | 45 |
|---|----|

| | |
|--------------------|----|
| Briefs | |
| Presidential Visit | 47 |

SOUTH ASIA

AFGHANISTAN

| | |
|--|----|
| Najibullah Reportedly Provided With Soviet Bodyguards (TEHRAN TIMES, 11 Jun 86) | 48 |
|--|----|

| | |
|--|----|
| Top Official Reported Killed, Another Joins Rebels (TEHRAN TIMES, 4 Jun 86) | 49 |
|--|----|

| | |
|---|----|
| Rebels Claim Plane Downed With SAM-7 Missile (TEHRAN TIMES, 10 Jun 86) | 50 |
| INDIA | |
| Gandhi Message on South Africa Discussion Reported (PATRIOT, 17 Jun 86) | 51 |
| Nation Poised To Enter World Titanium Scene (THE HINDU, 28 May 86) | 52 |
| Carbide's Right of Appeal Challenged (THE TIMES OF INDIA, 14 Jun 86) | 54 |
| Further Scope for Indo-Soviet Trade Seen (Editorial; THE HINDU, 4 Jun 86) | 55 |
| Issues in Indo-PRC Border Talks Described (THE TELEGRAPH, 4 Jun 86) | 56 |
| Tibetan Secretariat Questions PRC Claim on Stance (THE STATESMAN, 14 Jun 86) | 57 |
| Bangladesh Tribal Refugees Unwilling To Leave Camps (THE TELEGRAPH, 4 Jun 86) | 58 |
| Delhi Seeks Repatriation of Chittagong Tribals (THE STATESMAN, 9 Jun 86) | 60 |
| Analyst on Content of Indo-Bhutanese Talks (G. K. Reddy; THE HINDU, 27 May 86) | 61 |
| Spies From Sri Lanka Arrested in Tamil Nadu (THE TELEGRAPH, 11 Jun 86) | 62 |
| Commission Releases Report on Punjab-Haryana Dispute (THE TIMES OF INDIA, 11, 13 Jun 86) | 63 |
| Cabinet Meeting, Press Release | 63 |
| Award to Haryana Detailed | 64 |
| Text of Venkataramiah Postscript | 65 |
| Excerpt on Award | 67 |
| Joint Panel on Karnataka-Maharashtra Dispute Planned (THE TIMES OF INDIA, 12 Jun 86) | 69 |
| Paper Reports Letter on Maharashtra-Karnataka Boundary (PATRIOT, 14 Jun 86) | 70 |
| Assam Tightens Rules on Permanent Resident Papers (THE TELEGRAPH, 4 Jun 86) | 72 |

| | |
|--|----|
| New Congress-I Ministers Sworn In in Kerala (THE TIMES OF INDIA, 6 Jun 86) | 73 |
| Paper Gives Details of Haryana Cabinet Changes (THE TIMES OF INDIA, 7 Jun 86) | 74 |
| Locals Demonstrate Against Orissa Missile Range (THE TELEGRAPH, 8 Jun 86) | 75 |
| Efforts Toward Indigenous Light Combat Plane Told (PATRIOT, 13 Jun 86) | 76 |
| Briefs | |
| Indo-Soviet Agreement | 77 |
| Bengal Minister Dies | 77 |
| Arun Nehru's Health | 77 |
| South Africa Condemned | 77 |
| Record Wheat Procurement | 78 |
| Antarctic Wind Generator | 78 |
| Kaul Cabinet Rank | 78 |
| Indo-Soviet Shipping Talks | 78 |

IRAN

| | |
|--|----|
| Periodical Discusses France's Desire To 'Normalize Relations' (Randa Takieddine; MEMO, 26 May 86) | 80 |
| Foreign Exchange Increase by Mineral Exports Detailed (KEYHAN, 11 Jun 86) | 81 |
| Official Details Employment Figures, Plant Productions (KEYHAN, 11 Jun 86) | 83 |
| Return to Shah's Economic Policy Considered Only Alternative (London KEYHAN, 5 Jun 86) | 87 |
| IRGC Chief: Will Retrieve Territories From Adjacent States (London KEYHAN, 6 Jun 86) | 89 |
| Briefs | |
| NITC Buys Norwegian Supertankers | 91 |

PAKISTAN

| | |
|---|----|
| National Assembly Proceedings Discussed in Commentary (Nusrat Javeed; THE MUSLIM, 16 Jun 86) | 92 |
| Commentary Views 'Alarming' National Debt (Maleeha Lodhi; THE MUSLIM, 13 Jun 86) | 94 |

| | |
|--|-----|
| Writer Suggests Need for 'National' Army (M. Nawaz Khan; THE MUSLIM, 12 Jun 86) | 95 |
| Muslim League Plans Strategy Against PPP (THE MUSLIM, 16 Jun 86) | 98 |
| Palejo Expresses Views on Plight of Sindhis, Other Issues (THE MUSLIM, 16 Jun 86) | 99 |
| Bizenjo Proposes Two More Provinces (Asif Durrani; THE MUSLIM, 16 Jun 86) | 101 |

SRI LANKA

| | |
|--|-----|
| President Decries Terrorism, Calls for Political Solution (Suresh Mohamed; THE ISLAND, 14 Jun 86) | 102 |
|--|-----|

/7310

REGIONAL AFFAIRS

BRIEFS

IDB LOANS TO ALGERIA--Jeddah, 22 Jun (SPA)--An agreement was signed at the headquarters of the Islamic Development Bank in Jeddah today, by which the bank will finance the importation by Algeria of \$5 million worth of paper and packaging bags from Turkey. /Summary/ /Riyadh SPA in Arabic 1323 GMT 22 Jun 86 GF] An agreement was signed at the Islamic Development Bank headquarters today whereby the Bank will finance a foreign trade transaction for Algeria to the amount of \$25 million. [Excerpt] [Riyadh SPA in Arabic 1450 GMT 30 Jun GF] /6662

CSO: 4500/151

ALGERIA

DELEGATION ATTENDS 78TH OPEC CONFERENCE IN SFRY

SFRY TV Interviews Energy Minister

DL281546 Algiers APS in English 1342 GMT 28 Jun 86

[Text] Brioni, 28/06/86 (AFP)--"The oil receipts are generally expressed in dollars and to get a precise idea on this question, one should take into consideration the fact that this currency has declined by 50 percent on average while oil prices have fallen to 50 percent" Minister of Energy, Chemical and Petrochemical Industries Mr Belkacem Nabi, who is heading the Algerian delegation at OPEC 78th conference underlined in an interview with the Yugoslav television.

"To evaluate in terms of OPEC countries purchasing power, the effects of the price decline one should consider the two declines [as received] and combine them together, Mr Nabi added.

More concretely this decline has been estimated to 55 dollars in 1986, a global amount evaluated according to the sales and price evolution till the end of the year. This loss is estimated within two years between 110 and 120 billion and in the long run, up to 1995/96 to nearly 500 billion.

These amounts will be transferred from the exporting developing countries to the rich ones, he added--and further underlined that presently the current barrel price on the market is below its level in 1973 especially if we take in to account the inflation rate imported by OPEC countries.

OPEC situation is characterized by a price war Mr Nabi remarked. Some countries, he added, have decided to give up the official prices to which they committed themselves so as to no longer curb their production. They started producing bigger quantities arguing that the non-OPEC exporting countries were increasing their share in the market at the expense of the organization.

Algeria, Mr Nabi said, advocates dialogue and cooperation with these countries. In order to reach an understanding with them at least with those, like us, are developing countries which face the same problems and have the same interests. [sentence as received]

The price war cannot but weaken the exporting countries OPEC and non-OPEC members, Mr Nabi pointed out.

[Word indistinct] the oil demand will not dramatically change in the long and short term. This market disorganization will only undermine efforts for research and renewing reserves and in affect both the rich consumers and developing-countries OPEC members and non-members, because no country will benefit from this disequilibrium in the world consumption. [sentence as received]

Algeria's position is based on the whole producing countries interest for a necessary solidarity among producing and exporting countries.

Algeria's position is identified with that of the whole countries fighting for North-South relations based on common interest, on equality and a fair share of development fruits.

Mr Nabi further expressed hope that OPEC will one day overcome its difficulties so long it continues to meet and so long the countries at war will continue to hold dialogue within it.

Referring to bilateral cooperation, Mr Nabi pointed to the important visit the Yugoslav head of government will make in Algeria.

Mr Nabi underlined in conclusion the high bilateral cooperation and the good quality of exchanges between the two countries.

Nabi Holds Press Conference, Departs

LD291922 Algiers APS in English 1125 GMT 29 Jun 86

[Text] Algiers, June 29 APS--Energy, Chemical and Petrochemical Industries Minister Belkacem Nabi left Brioni yesterday where he attended the works of OPEC 78th conference.

Shortly before his departure, Mr Nabi gave a brief news conference during which he told journalists that he was bound down to return to Algiers and that the Algerian delegation did not meet (?genuine and) mutually shared political will to reach a compromise agreeable to all.

"We have been going in circles all the time. No progress has been made since March and April meetings, do not feel that I have done worthwhile work and contributed toward the settlement of problems, he added. [sentence as received] Mr Nabi underscored that OPEC last conferences were based on the price war, a course Algeria has dismissed.

According to Mr Nabi the conference did not yield favourable results for all member countries. He said he was not optimistic but that the situation was not hopeless.

Algeria is within the organization because it feels that (?it is) necessary to follow the evolution of the world oil situation.

Algeria will not participate in the meetings devoted to quotas because it does not support the results of the conference. Six other delegations are opposed to the conference results.

The Algerian delegations will stay in Brioni up to the end of the conference it will be headed by the national hydrocarbons society (Sontrach) Director General Youcef Ousfi. [sentence as received]

/6662

CSO: 4500/149

ALGERIA

SFRY'S MIKULIC, DELEGATION MEET WITH OFFICIALS

Bendjedid Meets with Mikulic

LS291945 Belgrade TANJUG Domestic Service in Serbo-Croatian 1606 GMT 29 Jun 86

[Text] Algiers, 29 Jun (TANJUG)--President Chadli Bendjedid today had a meeting with Branko Mikulic, the Federal Executive Council president, who is on an official visit to Algeria, and discussed with him the further improvement of Yugoslav-Algerian cooperation and current international questions prior to the summit of the nonaligned in Harare. The talks, which passed off in a cordial and friendly atmosphere, were continued over a dinner which the Algerian state premier hosted in honor of Branko Mikulic and the Yugoslav delegation.

Bendjedid and Mikulic highly appraised Yugoslav-Algerian relations and expressed the readiness of their countries to develop mutual cooperation in all fields, including a number of forms such as industrial cooperation, joint participation in third markets, and joint technical research.

In a broad exchange of views on international questions, where a similarity of views was expressed, Bendjedid and Mikulic devoted special attention to the tense situation in the Mediterranean and familiar crisis flashpoints--the Near East, the Iran-Iraq war, and the situation in South Africa, as well as world economic problems burdened by the increasing debt of the developing countries. It is their joint assessment that these questions should be given priority treatment at the forthcoming nonaligned summit conference in Harare.

The Algerian state premier and the FEC president expressed the conviction that the Eighth Nonaligned Summit would represent a new and important attempt to solve the burning problems of mankind, and that it would strengthen the action unity of the nonaligned and, in short, be a summit of action.

Ministers, SFRY's Ocivirk Meet

LD301003 Belgrade TANJUG Domestic Service in Serbo-Croatian 0328 GMT 30 Jun 86

[Text] Algiers, 30 Jun (TANJUG)--Andrej Ocivirk, member of the Federal Executive Committee [FEC] and president of the Federal Committee for Energy and Industry, who is accompanying FEC President Branko Mikulic on his visit to Algeria, had separate talks here with five ministers in the Algerian Government--those for planning and urban planning, public works, commerce, light industries and regional development, urbanism and construction. They discussed concrete questions of Yugoslav-Algerian cooperation, but in the framework of preparations for the forthcoming session of the mixed international committee for economic cooperation which is meeting in Belgrade in a week's time.

Andrej Ocivirk is co-chairman of the Yugoslav section of the mixed committee and, prior to his visit to Algeria, he also had talks with Belkacem Nabi, Algerian minister of energy, chemical and petrochemical industries, in Brioni.

A member of the Yugoslav delegation visiting Algeria, Deputy Federal Secretary for Foreign Affairs Budimir Loncar, exchanged views with Mohamed Aberkane, deputy minister to the minister of foreign affairs in charge of cooperation, on current international questions and on preparations for the eighth summit of the nonaligned countries in Harare.

Major General Jovar Matovic had talks with his hosts on the cooperation of the two countries in the military-economic field.

/6662
CSO: 4500/149

ALGERIA

BRIEFS

AGRICULTURAL TALKS WITH TUNISIA--Tunis, 18/06/86 (APS)--The Algero-Tunisian talks in the field of agriculture started Wednesday morning under the chairmanship of the minister of agriculture and fisheries, Kasdi Merbah and his Tunisians counterpart, Lassaad ben Osman. On this occasion, the two ministers signed two memoranda of understanding, the first one related to the creation of a joint fisheries enterprise and the second one related to the repair and construction of ships. [Text] [Algiers APS in English 1451 GMT 18 Jun 86 LD] /6662

CSO: 4500/149

EGYPT

EXPATRIATE INVESTMENTS ENCOURAGED BY AUTHORITY

Cairo THE EGYPTIAN GAZETTE in English 1 Jun 86 p 2

[Text] THE Investment Authority will depend in the coming phase on the promotion of investments, especially in the fields of industry and agriculture, besides eliminating all obstacles hampering potential investors, said the Deputy Chairman of the Investment Authority, Dr. Mohie Eddin Gharib.

In a statement to the Middle East News Agency Dr. Gharib pointed out that the Authority will encourage Egyptian expatriates to invest their funds in the projects studied by the Authority, in collaboration with the Banks Union.

Moreover, the Authority will also concentrate on encouraging Arab investments, as these reach only 16 per cent of the total volume of investments in Egypt. Dr. Gharib said that measures toward this end will be facilitated.

A symposium will be organised with Egyptian inves-

tors next month with the object of discussing problems encountered by investors and suggesting possible solutions for solving them. It is expected that a businessmen's conference will be held in Cairo in August with the object of reviewing available fields of investment in Egypt and measures submitted by the government for the encouragement of such foreign investments.

Dr. Gharib added that concentration in the coming phase will be on facilitating measures for assisting investors to solve their tax, customs, building licence problems and any other difficulties relevant to the implementation of a project.

Dr. Gharib pointed out that the Authority will collaborate with the specialised technical investment offices, as their roles do not contradict the aims of the Authority. — MEN — GSS

/13104
CSO: 4500/160

EGYPT

TRADE AGREEMENT WITH HUNGARY TO BE DISCUSSED

Cairo THE EGYPTIAN GAZETTE in English 22 Jun 86 p 2

[Text]

TALKS will be held this week between, a team representing the Central Production Cooperative Union and the Hungarian Industrial Cooperative Union, according to Mr. Sayed Zaki, Chairman of the General Cooperatives Union and head of the Egyptian team.

The two sides will probe means of boosting technical and trade cooperation as well as means of promoting exports of the cooperative sector to Hungary. Talks will also cover the protocol and draft agreement of cooperation between Egyptian and Hungarian cooperative movements during the coming five years, Mr. Zaki pointed out.

The Egyptian team will, moreover, discuss the Hungarian offer to provide a number of small factories and workshops to utilise local raw materials in order to boost activities of the cooperative sector.

The draft cooperation agreement between the two countries has been worked out following long talks between representatives of the cooperative union in both countries, said Mr. Zaki pointing out that the Hungarian side has suggested the periodic exchange of experts in the fields of cooperative activities.

The two sides will also conduct joint studies on means of developing industrial production through the exchange of goods and through opening new markets for exports, especially in countries of the Third World.

Mr. Zaki moreover, said that the Egyptian team's visit to Hungary will last for one week and that a top Hungarian delegation will visit Cairo soon to sign the cooperation protocol and agreement. He also pointed out that the Hungarian Industrial Cooperative Union comprises about 1,500 cooperative societies. — GSS

/9274
CSO: 4500/158

EGYPT

TRADE MINISTRY CONTINUES LEATHER EXPORTS BAN

Cairo THE EGYPTIAN GAZETTE in English 11 Jun 86 p 2

[Text] The Minister of Economy and Foreign Trade, Dr. Sultan Abu Ali, has decided to continue to enforce regulations preventing the export of raw hide and tanned leather. A few days ago owners of tanneries, raised the question of allowing them to export leather on the pretext that the local market is suffering from stagnation. A committee was formed to study the issue.

Chairman of the Leather Industries Chamber, Kamal Hafez, said the Ministry's decision takes into consideration protecting the national economy and securing the right of the Egyptian consumer to find fine quality leather products.

The decision also aims at striking a balance between the interest of hide traders, tanneries and shoe factories, all such activities being complementary. The Ministry also means to promote the export of finished products rather than such intermediary goods as leather, said Mr. Hafez.

One of the reasons behind the seizure decision is that certain kinds of hide do not meet local requirements and thus the country imports about 45 per cent. In 1980 when the decree was first issued, the country imported 4,000 tons of hide duty free to cover the gap resulting from exporting hide in 1979 and 1980.

Moreover, the price of tanned leather went up from 40 to 90 piastres during the export period, since demand exceeded supply. At the same time fine quality leather was no longer found in the local market, said the senior official.

The export of leather proved to be unfeasable, as European markets require either quarter or half tanned leather. Such goods were usually exported at a price far less than the price of the raw material. The export of leather in this way squandered animal wealth, explained Mr. Hafez.

/13104
CSO: 4500/159

EGYPT

WAFD PARTY CHAIRMAN CALLS FOR DISSOLUTION OF ASSEMBLY

Cairo AL-WAFD in Arabic 15 May 86 pp 1, 3

[Interview with Fu'ad Siraj-al-Din, Wafd Party chairman, by unnamed reporter: "Wafd Demands Dissolution of People's Assembly"; date and place not given]

[Text] In an important, frank interview with AL-WAFD, Fu'ad Siraj-al-Din, chairman of the Wafd Party, demanded the dissolution of the People's Assembly, since it has completely lost its usefulness and since a great gap has developed between it and the people. Siraj-al-Din confirmed the need to hold new elections, on the condition that the elections be free and honest, or to make available the millions allocated to the assembly and its members to ease the burdens of the working classes, spending them to build housing for the residents of Al-Qubur. The Wafd chairman confirmed that the current People's Assembly is the strangest representative body from which Egypt has suffered in its history. Its function is now limited to applauding the ministers and then proceeding to the agenda. Siraj-al-Din added: "Recent events in Sudan give us a model to follow in the true application of real democracy." In his interview with AL-WAFD, Fu'ad Siraj-al-Din said that the operational environment of the Qasr-al-'Ayni project, from beginning to end, represents a bloody tragedy which damages the integrity of the regime. Fu'ad Siraj-al-Din confirmed that delivering untrue statements has become a characteristic of this regime. No one is concerned about these misleading statements or questions the officials who deliver them. The chairman of the Wafd declared: "For 20 years we have respected the truth, and we respect the representative assembly. We have now reached the point where the truth is being manipulated, and we are losing respect for the representative assembly." Siraj-al-Din added: "We expect higher authority to hold responsible those officials who deliver false statements, since the People's Assembly has neglected to present the truth and has lost its integrity!" The chairman of the Wafd said that the People's Assembly must withdraw confidence from the minister who delivers false statements before it, if the council wants to retain its self-respect. In the interview, Fu'ad Siraj-al-Din explained why members of the party did not travel to Sudan in a delegation chaired by Dr Yusuf Wali, secretary-general of the National Democratic Party. Siraj-al-Din said that the delegation felt that it should not go to Sudan to congratulate its people and its leaders on true democracy under the cloak of the

National Democratic Party, which does not believe in this democracy and does not practice it in Egypt.

In this important press interview, Fu'ad Siraj-al-Din offers a candid discussion of the methods of the regime at the present stage, through specific events and definite phenomena, emphasized in the form of political life, which have gotten to the point where they constitute a dangerous threat to democracy. Among the most important of those events were the circumstances which surrounded the issue of the Qasr al-'Ayni Hospital and the manner in which the ruling party opposed the questioning conducted in the People's Assembly about that issue, which damaged the integrity of the regime most deeply. There was also the phenomenon of some of the ministers boldly delivering false statements under the dome of parliament. In this interview, Fu'ad Siraj-al-Din asserts that the People's Assembly has become useless. The chairman of the Wafd demands that this assembly be dissolved and new elections held, on the condition that the elections be free and impartial. This is the first time that the Wafd has demanded the dissolution of the People's Assembly. The text of the interview follows.

[Question] There is no doubt that current events are many, complex, and involved, but there are specific questions and practices which are being talked about by the citizens, especially since they harm the procedures of government. They include the question of building the Qasr al-'Ayni Hospital. If the Wafd bears the burden of opposing these issues and practices in general, then what has happened concerning the Qasr al-'Ayni issue requires a word from the leadership of the Wafd. This is especially true since these issues in particular have become the focus of public opinion as an expression and reflection of failed policies, questionable expenditures and undemocratic practices, especially in the People's Assembly, on the part of the ruling party.

[Answer] In fact, the Qasr al-'Ayni question is closely linked with the internal methods of the regime, which no longer conform to the public interest. The government feels threatened by everything submitted by the opposition and all of the deviations and negative attitudes it uncovers, whereas in every democratic country the government strives to appreciate the opposition, paying attention to the shortcomings and mistakes it uncovers, and paying heed to its observations on methods of government. However, we in Egypt find matters proceeding in just the opposite way. The authorities take an obstinate stand toward any position taken by the opposition, no matter how strong the opposition's arguments may be.

There are many well-known examples of what I am talking about, although I am completely convinced that those in power do not read the opposition press and are not concerned with examining the truth about the serious facts published by the opposition press or exposed by the opposition deputies in the People's Assembly. The issue of the Qasr al-'Ayni Hospital is a new example. It was raised in the opposition press some time ago, before any contracts were made concerning it. In spite of that, everything said by the opposition was in vain, and that was the height of misfortune, scorning the public interest and public opinion, and concealing deviation.

What happened in the course of the questioning of Maj Gen 'Abd-al-Mun'im Husayn concerning the Qasr al-'Ayni building was that the chairman of the session which included the hearing was not even interested enough to submit the questioner's proposal to the assembly to vote on it. This was the proposal to form a committee to examine the facts and investigate this subject and to confirm the truth of the statements delivered by the questioning deputy or the truth of the statements made by the representatives of the government and Dr Rif'at al-Mahjub. Since these statements differed and were contradictory and since each group relied on its official documents in this matter, it was the duty of the assembly to form a committee to study the facts and learn the truth. However, unfortunately this proposal was not even submitted for a vote in the session. This is the highest degree of disdain and contempt of the public interest, and the greatest waste of the opposition's efforts. In fact, the present People's Assembly is the strangest representative body with which Egypt has been afflicted in its entire history. Its function has now been limited to applauding the ministers and then proceeding to the agenda.

People's Assembly Is Useless

Fu'ad Siraj al-Din was silent for a while and then continued.

There is another recent example, and that is what happened during the questioning by Deputy 'Alawi Hafiz concerning the nuclear plants. The questioner made important and significant statements, citing several technical references, and at the end of his speech proposed that a committee be formed by the assembly to study these statements.

Despite the gravity of the serious subject, the People's Assembly did not agree to this proposal to study the subject of the nuclear plants in depth, as is customary. Instead, the assembly applauded and decided to move on to the agenda!! The recent explosion at the Russian nuclear plant is the strongest proof of the truth of what the deputy was saying. In this manner, the People's Assembly has become useless. No benefit is expected or anticipated from it. The result is that we should spend the millions allocated to it and its members to remove the burden from the toiling classes with limited income and build low-income housing for the residents of al-Qubur, because this assembly has completely lost its effectiveness. There is a huge gap between it and the people. It should be dissolved and new elections held, provided that they are free and honest elections. Recent events in Sudan give us a model of the true application of genuine democracy.

Circumstances Surrounding Qasr al-'Ayni Contract, Tragedy Damaging Integrity of Regime

[Question] You have followed the question of Qasr al-'Ayni with interest from its beginning. Do you have information about these circumstances, and what is your view of these circumstances and of the position of Dr Rif'at al-Mahjub?

[Answer] The circumstances surrounding the Qasr al-'Ayni Hospital contract have become well-known to all as published and as revealed in questioning. All are suspicious circumstances far removed from what is in the public interest. Dr Rif'at al-Mahjub's response before the People's Assembly caught my eye. He was concerned that it should appear to the Assembly that the fees he received for drawing up the contract for this operation were far less than the fees he usually receives for contracts he draws up as an attorney. In reality, the question is far more serious and deeper than that. The point of objection raised was not that the fees were less or more than usual. The real objection was his chairing the committee which decided on bids concerning this hospital while he also drew up the contract signed between the French company which won the bid and the Egyptians. Dr Rif'at al-Majjub has evaded this point, and he has not discussed it! I had expected him to say that he was contributing these fees for the sake of Egypt. Instead, he says that he is working a whole year without fees!!

Also, there is another point that al-Mahjab has avoided, and that is the company's suspension of the payment of half of the fees until the contract is signed and implementation is begun, whereas al-Mahjub, as a prominent attorney, knows that the function of the attorney in any contract ends as soon as he draws up the contract between the parties. As far as the signing of the contract or the beginning of its implementation, this is no concern of the lawyer, unless that was considered in estimating the fees. Dr Rif'at al-Mahjub did not explain why the French company chose him in particular to write this contract, although there are many Egyptian lawyers who specialize in drawing up such contracts. As I said, the circumstances surrounding this operation, from beginning to end, represent a bloody tragedy and harm the integrity of the regime. If I were in Dr Rif'at al-Mahjub's place, I would have agreed with the questioning deputy on the need to form a committee to examine the facts in this matter, so that the official files could prove the veracity of what he says. It was even his duty to offer this proposal to the assembly himself, before Deputy 'Abd-al-Mun'im Husayn demanded it, as long as he was certain of the soundness of his position and the veracity of his evidence.

Lies of Ministers and Officials Under Dome of Parliament!

[Question] Our political and parliamentary lives are witnessing a dangerous phenomenon, and that is that some ministers and officials are setting out to deliver inaccurate and sometimes completely false statements, figures, and information, under the dome of the People's Assembly. The strange thing is that some of them do that while relying on and disdaining the honor of the assembly and the people which it represents, as happened once in the hearing concerning the band of four and the erroneous statements made by the minister of the economy, and recently by the minister of planning in the hearing concerning the issue of the Qasr al-'Ayni Hospital. Do you have any comment on this phenomenon?

[Answer] Indeed, delivering untrue statements has become a trademark of this regime. That has happened more than once, but no one is concerned about these misleading statements or questions the officials who deliver

them. I mention for comparison our situation now and our situation 60 years ago, when Egypt had been pursuing a new representative life for only 2 years. In 1926, the late Muhammad Zaghlul Pasha, undersecretary of the Ministry of Public Works, replied in parliament to a question directed to his minister. It was a run-of-the-mill question and included some figures. When the undersecretary checked his answer, he discovered a mistake in one of these figures. He promptly corrected it in the minutes of the session before they were approved by the assembly. When that became clear when the minutes were approved, the undersecretary of the ministry offered his resignation immediately, and he was one of the most capable undersecretaries at that time.

Two years before that, in 1924, in the cabinet of Sa'd Zaghlul, an undersecretary of one of the ministries, Salah 'Anan Pasha, made a statement in the chamber of deputies which contained an error, and he offered his resignation immediately. This shows the respect for the truth and respect for the representative body. As to the incidents mentioned in the question, the two ministers mentioned should have accounted for the false statements which they made to the People's Assembly. If the People's Assembly is not interested in presenting the truth and is not concerned about its honor, we would expect higher authority to call to account those who make false statements.

Why Did We Not Go to Sudan Under Chairmanship of Dr Wali?

[Question] Why didn't the Wafd go to Sudan with the delegation of Egyptian parties chaired by Dr Wali?

[Answer] To answer this question, it is best to know how the idea of delegations from Egyptian parties going to Sudan came about. Eng Ibrahim Shukri, head of the Labor Party, contacted me and suggested this idea, suggesting that the opposition parties should send representatives to Sudan to offer congratulations to our Sudanese brothers on the success of their efforts to achieve democracy, put an end to the military regime in Sudan, and restore civilians to power. I had actually chosen someone to represent the Wafd. A day later I learned from my brother Yasin that Dr Yusuf Wali confirmed to him that the National Democratic Party would be welcomed also. Then I was surprised the next day by news in AL-AHRAM, subsequently repeated in other papers, to the effect that it had been decided that a "delegation" from the political parties in Egypt "under the chairmanship of" Dr Wali would go to the Sudan for the purpose which I mentioned.

I say I was surprised, because no one had contacted me on this matter, and because the "chairmanship" of Dr Wali was imposed by him on the delegations. The idea was not that there would be "one delegation" representing all parties, but that each party would send representatives to speak in its name. In addition, I also learned that this delegation, traveling under the chairmanship of Yusuf Wali, would travel by private plane!! After that I met with Eng Ibrahim Shukri, and he expressed his observations to me and told me of his opposition to what was published in AL-AHRAM. He

said that he was party chairman and Dr Yusuf Wali was only secretary-general and should under no circumstances head the delegation. He also agreed with me that it was inappropriate to travel by private or military plane, because that is completely out of line with his call for the need to cut government spending in Egypt! Ibrahim Shukri was kind enough to visit me again in my home two days before the departure to discuss this matter again. I felt that he was leaning toward traveling in a joint delegation headed by Yusuf Wali, and I did not agree with him on that. I said that the idea was that each party would send a delegation representing it to speak for it and express its views, and this is what we actually did. Representatives of the Wafd traveled by commercial flight and returned in the same way at their personal expense. They refused to travel by Egyptian military aircraft, and they kept apart while there. They wanted to avoid the appearance of comradeship and fraternization with the other delegation traveling under the chairmanship of Yusuf Wali.

In fact, I myself felt that as we were going to congratulate Sudan on the true democracy which it has achieved, we must not be under the cloak of a party which does not believe in this democracy and does not practice it in Egypt. I seize this opportunity to extend my deep thanks to our Sudanese brothers for their reception of the representatives of the Wafd Party, who achieved themselves what I told them before they left, a special spot for the Wafd in Sudan. This visit achieved all of its goals, and it was a new factor in strengthening relations between the two fraternal countries.

7587/9190

CSO: 4504/345

EGYPT

ALEXANDRIA SEWAGE PROBLEM REPORTED SOLVED

Cairo THE EGYPTIAN GAZETTE in English 3 Jun 86 p 3

[Text] ALEXANDRIA has already been prepared for receiving holidaymakers after the removal of the major problems that scared away many tourists last year. The problem of sewerage which spoilt the previous season and had an adverse impact on the flow of holidaymakers to the governorate has been treated after the implementation of the urgent sewerage project, according to the Governor of Alexandria, Mr. Fawzi Moaz.

The Governor pointed out that 12 sewerage treatment stations have been renovated, in addition to the sewerage pipes which have been extended to the various districts of Alexandria. Such implementations have helped partly to eliminate the troubles caused by sewerage.

The availability of different kinds of services such as potable water, electricity, telephone and traffic facilities and the cleanliness of streets are the main factors that make the tourist season successful.

Some of the governorate's streets are not usable due to electricity and telephone works, but the Governor pro-

mised that all these streets will be re-paved and surfaced as soon as possible.

Concerning the services of the city, a number of expansion projects annexed to the main potable water stations in the governorate were inaugurated recently in a bid to overcome the problem of water shortage in higher storeys. Moreover, the city witnessed extraordinary preparations worked out by Telephone Authority in winter so as to complete a number of expansion projects in the Alexandria telephone exchanges before summer.

The telephone exchange of Manshia was opened with a capacity of 20,000 new lines, besides the expansions of Max, Bianki, and downtown exchanges. Furthermore, the under Secretary of Telecommunication Ministry Mr. Ahmed Farouk, stated that all old telephone lines of Alexandria governorate will be renovated completely before the end of May.

As for electricity, the Power Distribution Authority in Alexandria has already replaced some of the worn-out power networks.

/13104
CSO: 4500/160

EGYPT

URBAN RENEWAL PLANS NEW COMMUNITY IN HELWAN

Cairo THE EGYPTIAN GAZETTE in English 10 Jun 86 p 2

[Article by Hassan Amer]

[Text] CAIRO Governorate has decided to establish a new urban community in Helwan by building 40,000 flats to re-house 200,000 citizens currently living in slums and shanty-towns.

Advisor to the Governor of Cairo, Mr. Fathi Abul Ghar, said the project is part of a comprehensive plan to improve housing conditions in the capital. He said the studies conducted recently in collaboration with the International Bank for Reconstruction and Development confirm that the city suffers from various forms of poor housing.

One of these forms is the shanties built of clay, timber, and tins by emigrants from rural areas on the outskirts of the capital and in the vicinity of new residential areas. Residents of those areas have moved from various governorates in searching for employment opportunities in the capital. They are usually confronted with high housing costs and are therefore obliged to establish themselves on such sites.

The study also covered houses due for demolition whose occupants could not afford to evacuate them and

move to new houses. It was revealed that 20 per cent of the capital's houses have outlived their normal life span. Urban sprawl which has taken place during the past ten years is responsible for another category of houses covered by the study. Such building operations have taken place without the approval of municipal authorities and usually lack potable water and sewerage, although they are supplied with electricity.

In the light of this, the Governorate took measures to remove such unplanned and slum housing, said Mr. Abdul Ghafar. It established the el-Salam District which now accommodates a population of 200,000 persons who previously lived in el-Qoroud and el-Mohamadi communities. El-Salam has also accommodated some families evacuated from dilapidated buildings in other Cairo districts. A number of houses have been allocated for newly married couples and government employees who have been recently transferred to Cairo. The projected Helwan housing project will be similar to el-Salam, said Deputy Governor of Cairo Fathi Abdul Ghar.

EGYPT

CRIMINAL ACTIVITY REVIEWED AT PRESS CONFERENCE

Cairo THE EGYPTIAN GAZETTE in English 6 Jun 86 p 3

[Text] MAJOR-GENERAL Mohamed Abdul Halim Moussa, Director of the General Security Authority, yesterday held a press conference in which he reviewed the general security situation and criminal activities during the past year.

Maj-Gen. Moussa said that the Interior Ministry paid considerable attention to preventive measures, as being the first line of defence against crime. He also said that the public plays an important role in this domain, so the police should gain the confidence of the people.

The security policy of the Interior Ministry is based on boosting cooperation between Arab and international security agencies in fighting crime in general, and terrorism and narcotics smuggling, in particular, he said.

Reviewing criminal activities in 1985 Maj-Gen. Moussa said that the number of reported felonies totalled 2,019 against 1,808 in 1984, and that criminals were arrested in 92 per cent of those cases.

Concerning theft misde-

meanours he said that their number reached 17,826 against 16,479 in 1984. "In spite of this slight increase in the number of misdemeanours there was a drop in the number of house burglaries which came to 2,165 against 2,243 in 1984", he pointed out.

Explaining the results of efforts exerted to fight crime Maj-Gen. Moussa said that during 1985 police seized 8,565 different weapons including 105 machine-guns. He added that 12,756 convicts were arrested during the same period against 11,582 during the previous year.

Maj-Gen Moussa also referred to the efforts exerted to fight narcotics smuggling saying that the number of cases in this domain reached 7,882 last year against 7,571 cases during 1984.

He concluded his press conference by saying that the phenomenon of violence was recognised not only in Egypt but also in most countries of the world. He added that Egypt participates in fighting international crime through available expertise.

/13104
CSO: 4500/160

EMPLOYMENT OF UNIVERSITY GRADUATES DISCUSSED

Discussion Committee Formed

Cairo THE EGYPTIAN GAZETTE in English 2 Jun 86 p 3

[Text]

A DECREE has been issued by the Prime Minister, Dr. Ali Lutfi, for the formation of a committee that will study ways of improving 'public service,' a policy under which all school and university graduates who are not enlisted have to work in the civil service for a year for nominal pay. The committee will have to find ways of making the best use of the capabilities of young people.

The committee will start its meetings after the Rama-

dan Bairam vacation. The committee is expected to submit its report to Dr. Lutfi in about four weeks.

The Committee will include the Minister for Social Affairs, Dr. Amal Osman, the Minister of Local Government, Mr. Hassan Abu Basha, the Minister of State for Cabinet Affairs, Mr. Atef Abeid, and the Chairman of the Supreme Council for Youth and Sports, Mr. Abdul Ahed Gamal Eddin. — GSS

Solutions Proposed

Cairo THE EGYPTIAN GAZETTE in English 12 Jun 86 p 2

[Text]

THE government will employ within the next five years the 900,000 polytechnic and university graduates who have been left over without jobs from previous years. Of these, 48,700 have university degrees in the sciences, 107,000 have degrees in the humanities, while 721,000 are polytechnic graduates.

The Minister of State for

Administrative Development and Cabinet Affairs, Dr Atef Ebeid, endorsed a report by the Central Agency for Administration and Organisation on this matter, prior to its submission to the Higher Committee for Policies.

The report recommended preventing the appointment to places which already have a surfeit of employees and to determine the number of

superfluous employees in order to figure out the actual dimensions of the problem.

The new scheme is intended to find immediate and speedy remedies to put a stop to the increasing number of civil servants, by devising a plan to determine the actual requirements in the short and long terms.

The report suggested that productive units work at full capacity whether by increasing the working hours or by the proper distribution of investments and creating new spheres of work with the available financial resources. The report also proposes the expansion of regional projects without defining fixed employment scales for them so that they would function in an unconventional manner.

/13104

CSO: 4500/159

EGYPT

BRIEFS

CZECHOSLOVAKIAN AID--Czechoslovakia is to finance the construction of a gas-fired 250,000 kWh power station in Talkha. Agreement on the matter had been reached during a meeting between the Czechoslovak Ambassador and the Minister of Electricity and Energy at which the ambassador had conveyed his government's approval of the allocation of 60m dollars--out of a 100m dollar easy-term loan granted to Egypt--to implement the power plant project. Agreement was also reached during the meeting in early April on the use of a 20m dollar loan previously extended by Czechoslovakia: 5m will be used to repair and modernise the gas-fired Siyuf power station in Alexandria, 6m will be used for the Talkha station, and 9m will be used for increase the generating capacity of the Kafr al-Dawwar power station. [Text] [Paris AFRICAN DEFENCE JOURNAL in English Jun 86 p 14] /9274

BULGARIAN TRADE--An economic and trade cooperation protocol was signed by Egypt and Bulgaria during the second session of their joint committee meeting held in Sofia from June 16 to 18. This was stated by the Under-Secretary at the Ministry of Planning, Mr Abdul Aziz Zahwi who returned home yesterday after leading the Egyptian delegation at the meetings. Economic relations between the two countries and the efforts of their governments exerted for the sake of economic development were reviewed during the session. The two sides agreed to increase economic and political relations, concentrating on such fields as industry, agriculture, and tourism. They also agreed to discuss financial aspects related to loans and contributions to capital, in addition to trade exchanges. The Bulgarian side confirmed its government's keenness to strengthen relations in all political, economic and commercial forms. [Text] [Cairo THE EGYPTIAN GAZETTE in English 24 Jun 86 p 2] /9274

CZECHOSLOVAKIAN LOAN--The Light Transport Company is planning to produce, in collaboration with one of the international industrial authorities, 4,000 micro buses each seating 15 passengers, and 1,000 mini buses each seating 27 passengers, said the Chairman of the Company, Mr. Mohamed Abdul Salam. He added that this would meet local demands and would decrease imports. Mr Abdul Salam said that there are a great number of Arab and African countries which will purchase the products of the company. Meanwhile, Czechoslovakia will extend to Egypt a loan of 12 million dollars to contribute to the implementation of the project. [Text] [Cairo THE EGYPTIAN GAZETTE in English 15 Jun 86 p 2] /9274

SOVIET TRADE--A contract will be signed between the Egyptian Coke Company and Moscow with the object of providing the company with its requirements of coke that are needed to operate the company's factories in the second half of this year, said the Chairman of the Coke Company, Mr. Adel el Mozi, who will fly to Moscow next week for a ten-day visit. The company's requirements are estimated at 250,000 tons during the next 6 months at a total cost of 22 million dollars. This agreement comes within the framework of a commercial cooperation protocol signed between the two countries. [Text] [Cairo THE EGYPTIAN GAZETTE in English 16 Jun 86 p 2] /9274

UNION SEEKS WAGE REVIEW--Trade workers affirmed the necessity of supporting the public sector as an essential mainstay of the national economy and they asked for the elimination of obstacles that hinder its development. They also urged the private sector to play a more effective role in a bid to support the economy. This came in a statement issued by the Trade Union of Commercial Workers' conference which started its sessions yesterday in Alexandria under the chairmanship of Mr. Ahmed Yacoub, the head of the union. The statement which was released at the closing session of the conference further called for working out clear-cut policies for industrial agricultural and commercial production based on national economic philosophy. Furthermore, the statement urged the reconsideration of wage scales, in a way that takes into account current prices, in order to ensure a reasonable standard of living for employees. The statement recommended that the current studies concerning subsidies should not affect low-income people, stressing the necessity of consulting the Egyptian labour movement and its union organisations before taking any measures in this respect. [Text] [Cairo THE EGYPTIAN GAZETTE in English 22 Jun 86 p 2] /13104

BAN ON IMPORTED GOODS--The Ministry of Economy and Foreign Trade has prepared four commodities that will control commodity imports starting early July. The first category of commodities include ready-made clothes, furniture, foodstuffs, and sweets. The import of these will be banned, as they are produced domestically. The second list includes commodities that are produced locally but do not meet consumption requirements, such as nails, pumps, and automotive spare parts. Reduced customs duties will be paid for the import of raw materials, cement and reinforcing iron, which constitute the third category. The fourth list is one of duty-free imports that include wheat, flour and meat. Moreover, the Ministry of Finance has already prepared the customs duties scale which will apply to each imported item. [Text] [Cairo THE EGYPTIAN GAZETTE in English 12 Jun 86 p 2] /13104

CS0: 4500/160

SUDAN

ANYANA II MOVEMENT, BACKGROUND DISCUSSED

London AFRICA CONFIDENTIAL in English 18 Jun 86 p 8

[Text] The cancellation of prime minister Sadiq el Mahdi's planned trip to the south two weeks ago is a reflection of deteriorating security, particularly around Wau and Juba, which he was to have visited. The increase in the Sudan Peoples' Liberation Army's (SPLA) activity in eastern Equatoria and the adjacent part of western Equatoria is part of a longer-term SPLA strategy devised over a year ago before an SPLA unit set up camp on the Boma plateau in April 1985 (AC Vol 26 No 11). But the marked reduction in SPLA activity throughout the northern and central parts of Upper Nile province is a direct result of the growing conflict with Anyanya II rather than merely a redistribution of the war effort to the deep south.

Anyana II was formed in late 1983 after a Nuer faction led by the late Lt-Col. Samuel Gai Tut and Aquot Atem broke away from the SPLA (AC Vol 25 Nos 3 and 19). After various internal battles and much disinformation from both the SPLA and Anyanya II, Col. Gordon Kong emerged as the eventual victor. Jaffar Nimeiri's regime, the transitional military council under Gen. Sower el Dahab and now Sadiq el Mahdi's government have recognised the tactical advantages of supporting Anyanya II. It certainly received a lot of weapons from the government during the tail-end of Nimeiri's regime. The movement claims it now has an adequate supply of weapons captured from the SPLA or brought over by SPLA defectors. However, the new government is supporting Anyanya II financially, with contributions possibly from a third party. The movement has a small office in Khartoum and a representative in London.

At a meeting apparently on 20 February in Wakrial (Upper Nile) it formed a provisional politburo composed of David Dogok Puoch (secretary-general--a Nuer from Nasir), John Jok Reth (secretary for administration and African affairs--a Nuer from Nasir), Arop Achir Akol (secretary for information--a Dinka from Tonj), Biel Leel Ngundeng (secretary for Middle Eastern affairs--a Nuer from Akobo), Thomson Thoon Teny (secretary for finance--a Nuer from Bentiu), and Both Guer Luak (secretary for European and American affairs--a Nuer from Akobo).

The military wing is headed by Col. Kong, who presides over a 13-member high command. His 2-ic is Lt-Col. Daniel Gatwech. Between them they appear to oversee military operations in north-eastern Upper Nile. The commander of the Fangak area (north-western Upper Nile) is Lt-Col. Joseph Ruot; commander of the Bentiu area, on the other side of the Nile, is Lt-Col. Paul Ino Matip. Anyanya's radio communications are poor to non-existent. Its weaponry, apart from small-arms, reportedly includes some SAM-7s, one or two jeep-mounted 106 mm recoilless guns captured from the SPLA, and a supply of mortars.

BRIEFS

SAUDI, KUWAITI FINANCIAL ASSISTANCE--The government has asked Saudi Arabia and Kuwait for help in resolving its financial difficulties, Prime Minister Mohamed Mzali told the Kuwait daily Al-Qabas in an interview published on 23 June. The help could be in the form of 1 million-2 million tonnes of free oil, or as a direct government-to-government credit on concessionary terms--similar to the \$20 million concessionary loan from Algeria agreed in summer 1985. Mzali said (MEED 12:10:85, Algeria). He ruled out any normalisation of Tunisia's relations with Libya, describing further diplomatic efforts as useless, [Text] [London MIDDLE EAST ECONOMIC DIGEST in English 28 Jun 86 p 28] /9274

CSO: 4500/152

WESTERN SAHARA

BRIEFS

ENVOY TO ANGOLA--Luanda, 15/06/86 (APS)--Mohamed Embarek Malainine, presented Saturday to the president of Angola and the MPLA Labor Party, Eduardo dos Santos, his credentials as ambassador extraordinary and plenipotentiary of the Saharan Democratic Arab Republic (SDAR) to the People's Republic of Angola. The ceremony was followed by a 30-minute talk with President Eduardo dos Santos whom Malainine thanked for the support of Angola to the Saharan cause. President Eduardo dos Santos on his turn reaffirmed the constant and total solidarity of his country with the Saharan people. [Text] [Algiers APS in English 1123 GMT 16 Jun 86 LD] /6662

CSO: 4500/150

ISRAEL

NEW LIBERAL CENTER PARTY MAY DISBAND

Jerusalem THE JERUSALEM POST in English 6 Jun 86 p 2

[Article by Sarah Honig]

[Text] TEL AVIV. — The founders of the three-week-old Liberal Centre Party last night formed a committee charged with finding out ways to stave off their party's collapse. But LCP sources believe that their party is destined to die in infancy.

The committee was set up yesterday at an unofficial caucus of the party's founders, all of whom broke away from the Liberal wing of the Likud. The one ex-Liberal who did not attend was former minister and Knesset speaker Yitzhak Berman. The peace-making committee includes Tel Aviv Mayor Shlomo Lahat, Jewish Agency chairman Arye Dulzin, Rehovot Mayor Yehezkel Harmelech, Yosef Lapid and Yisrael Saharov.

The root of the problem is Berman's incompatibility with most of the founders, which springs from Berman's having given his backing to newcomers to the LCP whom all the other ex-Liberal perceive as political freeloaders seeking to hijack their new party from their control.

Despite their membership in the new peace-making committee, Lahat and Harmelech are particularly militant in their hostility to Berman and are demanding a parting of the ways. Their colleague, former deputy finance minister Yehezkel Flomin, declared at yesterday's meeting that he "will not be in the same party with Berman."

The committee is due to meet in Dulzin's home tomorrow morning.

Lahat, seen as the LCP's sole vote-catcher, and the other founders recently suggested to Berman that he leave the LCP. Otherwise, they said, they would walk out and found yet another party.

But it was Berman who registered the LCP as an association, and he is listed as one of its directors. Thus he cannot be ousted. If he does not leave of his own accord, his adversaries will have to leave him with the LCP name and create another political entity for themselves.

The first signs of a rift in the LCP were apparent at the party's founding convention last month, when uproar greeted Berman's being refused the right to air his objections to the "stealthy way the old Liberals were seeking to pass crucial resolutions on the party by-laws."

The new forces seeking to join the party are headed by former MK Yitzhak Yitzhaki, who brought with him some 800 members. But the founders have accused him of being Berman's pawn. Yitzhaki's group was under-represented in the party executive and council and he too is contemplating splitting away.

A source close to Berman told *The Jerusalem Post* last night that "the trouble with the LCP is that it is envisaged as a political vehicle for one man only — Lahat. This is supposed to be his little gang and anyone refusing to play ball can't be a member."

ISRAEL

PLAN FOR NEW SETTLEMENTS NEAR EGYPTIAN BORDER PROPOSED

Jerusalem THE JERUSALEM POST in English 10 Jun 86 p 2

[Article by Yitzhak Oked]

[Text] TEL AVIV. - A controversial plan to establish six new settlements near the Egyptian border in the Nitzana area is being submitted to Prime Minister Peres by the Jewish Agency Settlement Department, according to Pinhas Kahana, head of the department's planning team.

The two existing settlements in the region, Nitzanei Sinai and Mitzpe Izuz (which has not yet been approved as a settlement) object to the new settlements because, they say, the area cannot support more farms.

Veteran farmers claim that the country's existing farms are already working below their production capacities. New agricultural settlements, they say, will merely aggravate an already bad situation.

They also fear the continuation of water quota cuts and water shortages and stress that new settlements will increase the demand for water.

Settlement department heads Nissim Zvili and Mattityahu Drobles, who are often at loggerheads, agree on this proposal.

The veteran settlers have nothing to worry about, because, the new settlements are to grow new export crops - which they say, will not compete with other produce.

They also pointed out that their proposal was based on drilling wells in the Nitzana area. But this, they admit, is an expensive source because of the need to drill wells more than 1000 metres deep.

Zvili and Drobles also said that the strategic area was thinly populated and more settlements and people were needed there.

/13104

CS0: 4400/219

ISRAEL

POLLUTION THREATENS LIMITED WATER RESERVES

Jerusalem THE JERUSALEM POST in English 12 Jun 86 p 1

[Article by Bernard Josephs]

[Text] A crash programme to halt the pollution of Israel's fast dwindling water reserves must be instituted now, the country's chief ecological watchdog said yesterday.

Dr. Uri Marinov, head of the Interior Ministry's Environment Protection Service, warned that pollution is as big a menace to the water supply as over-pumping and that the government must act fast to safeguard the purity of aquifers and other sources.

He stressed that even such large-scale reserves as Lake Kinneret are not immune from pollution and, he adds, several wells in the centre of the country have recently been rendered unusable because they contain high levels of nitrates, the "fall-out" from chemical fertilizers.

"Everyone is concerned about the dwindling water reserves and yet we are poisoning those reserves we do have," Marinov said. "I believe that protecting the quality is as important as restricting usage."

He pinpointed two main sources of pollution - untreated sewage and city refuse.

There are still large numbers of villages and small towns - especially in the Arab sector - that do not have adequate sewer systems, he said. As a result untreated effluent seeps into the groundwater and is sometimes pumped directly into springs and streams.

Even where sewage is treated, he continued, only 40 per cent of it is used to irrigate fields. "Treated effluent must be used cautiously and only on certain crops, such as cotton. But instead we allow large amounts of it to infiltrate the water supply system. The use by farmers of treated sewage could be increased four- or five-fold."

Marinov said that garbage dumps constitute a major menace to the water reserves, despite a marked improvement in site-selection over the past few years.

Too many dumps are situated directly above aquifers and the garbage seeps into the groundwater. Particular black spots, he said, were Petah Tikva, Ra'anana, Kfar Saba and Rehovot.

"We need a crash programme to relocate these dumps and many like them," Marinov maintained. "It is important that resources be devoted to such a programme, especially when every drop of clean water is precious."

"Nobody wants garbage dumps in their area and they are difficult to site. But there are places where the ground is well insulated and a much lower level of seepage could be achieved."

Finally, said Marinov, money must be made available for cities to replace old water pipe systems. Leaking pipes, some dating back more than 50 years, are a major cause of water wastage.

/13104

CSO: 4400/219

KUWAIT

DEFICIT RISES TO 200 MILLION DINARS

Kuwait AL-SIYASAH in Arabic 15 May 86 p 1

[Article: "200 Million Dinar Actual Budget Deficit"]

[Text] The National Bank of Kuwait has anticipated that income from investments of the state will diminish for the coming year to approximately 9-10 billion dinars, as compared to 1.154 billion dinars last year. When investment income is included in the accounting, the state public budget deficit remains within relatively modest limits, not exceeding 200 million dinars. The monthly report of the National Bank stated that the estimates upon which the budget was prepared may turn out to be more optimistic than they should have been, because the calculations that were made were based on the price of oil being \$15 a barrel. Nevertheless, Kuwait enjoys the advantage of being in a good, competitive position thanks to its extensive activities in the fields of oil refinement, and distribution and marketing of petroleum products. This gives it more leeway in increasing production in order to compensate, even if only partially, for the decrease in oil prices.

There is no doubt that the moderate decrease in expenditures and an actual budget deficit for the first time in recent years form the most prominent characteristics of the projected budget for 1986-87. It is worth noting that, despite the expected 11.5 percent decrease in total expenditures to 3.038 billion Kuwaiti dinars, it is anticipated that total income will reach 1,923 billion Kuwaiti dinars, representing a larger decrease of 38 percent. If investment returns were not included, the budget deficit would reach 1,114 billion Kuwaiti dinars as compared to 460 million Kuwaiti dinars in 1984-85 [as published].

The National Bank report noted that wages and salaries represent the only category of expenditure that increased, although only moderately; the increase in allocations for this purpose was 3.8 percent. The category of expenditure that decreased the most was that of goods and services bought by government agencies, since expenditures in this category shrank by 38 percent, permitting a savings of 163 million Kuwaiti dinars. The government will save another 105 million Kuwaiti dinars by decreasing foreign aid by 75 million Kuwaiti dinars and by freezing new allocations of the capital of the Kuwaiti fund for Arab economic development. Likewise, allocations for the purchase of land have been decreased by 30 million

Kuwaiti dinars in recent years. Six-hundred-five million Kuwaiti dinars have been allocated to expenditures on development, which directly affect the principal economic sectors in the country; this figure is slightly lower than the actual expenditures in this area for the year 1984-85, which were 629 million Kuwaiti dinars. It should be noted that about a third of this total amount has been allocated to housing construction projects, which will not be affected by the expenditure reductions. As for income, non-petroleum income has been estimated at 267 million Kuwaiti dinars, representing a 15 percent decrease compared to the 1985-86 budget. However, this amount is 7.6 percent higher than the total actual income in this category for the fiscal year 1984-85.

The report noted that Kuwait's situation, despite the somewhat austere nature of this budget or perhaps because of it, is better than the situation of many other oil-producing countries, since it is expected that the real budget deficit will be relatively small. In addition, it is anticipated that economic activity will remain at satisfactory levels in certain sectors, especially those that have a direct effect on the local economy, such as housing construction projects.

The National Bank report also noted that the changes that were made in the government's plan for purchasing shares in closed companies increased the maximum cash expenses of government purchase to 200 million dinars.

13292/12899

CSO: 4404/359

KUWAIT

EXECUTIVE PLAN OF CULTURAL AGREEMENT WITH CHINA SIGNED

Kuwait AL-SIYASAH in Arabic 18 May 86 p 2

[Article: "Kuwait and China Sign the Executive Plan for the Cultural Agreement"]

[Text] Last Wednesday in Beijing, Kuwait and China signed the executive plan for the cultural agreement between the governments of the two countries.

For the Kuwaiti side, the assistant secretary general of the National Council for Culture, the Arts and Literature, Dr Khalifah al-Waqyan signed the plan and for the Chinese side, the deputy minister of culture.

The meeting at which the agreement was signed was attended by the ambassador of Kuwait in Beijing, Mr 'Abd-al-Hadi al-Mahmud and members of the embassy. Likewise, on the Chinese side, it was attended by a number of officials in the Ministry of Culture.

The plan will be in effect during the years 1986-1988.

After the signatory meeting, the opening of the Kuwaiti art exhibition, which has been established here, took place. The exhibition includes sections for books and tableaux, among which are drawings done by children, photographs, Kuwaiti costumes, and weaving.

The opening of the exhibition, which will last 10 days, was attended by the Chinese deputy minister of culture, heads of the Arab diplomatic missions in Beijing, and interested members of the public.

13292/12899
CSO: 4404/359

KUWAIT

RENTS DECREASE AS NUMBER OF EMPTY APARTMENTS INCREASE

Kuwait AL-SIYASAH in Arabic 21 May 86 p 1

[Article: "The Wave of Rent Reductions Has Reached Hawalli and al-Salimiyah"]

[Text] Informed statistical authorities expect that the number of empty apartments will reach approximately 40,000 and perhaps more by the end of this summer. These sources said that the estimates of the Planning Council show that the number of empty apartments last year was around 23,000. Then an unexpected stagnation occurred and there was an increase in the number of people who left the country. It is estimated that the occupants of 75 percent of these apartments have left the country permanently and completely by their own choice, while the occupants of the other 25 percent are people who will leave because of decisions to lay off employees--decisions that a number of ministries in the country are currently making.

The statistical authorities that spoke to AL-SIYASAH, asking that their names not be mentioned and that "the matter not be exaggerated," stressed that it has been observed up until now that more than 3,000 employees will be laid off from their jobs in the Ministries of Education, Health, and Electricity by the end of next September and that this will be a major cause of the increase in the number of empty apartments in Kuwait.

It has already been noticed that the question of emigration, distinguished by the "tafnish movement" or departure by choice, is a phenomenon that has begun to have a preliminary effect on rents in all areas of Kuwait. Since the beginning of last April a wave of monthly rent reductions for the apartments in Khaytan, al-Farwaniyah, Jalib al-Shuyukh, and al-Hasawi has begun. The owners of buildings in these areas have gradually lowered their rents from one month to the next, until the average reduction has reached 30 percent of the original rent in the above-mentioned areas.

It is expected that this wave of reduction will extend to Hawalli and al-Salimiyah by the end of this July, in view of the fact that this has already happened in several cases, and in particular for luxury apartments. For, although the average rent in these two areas had remained the same because of high population density and an increase in demand, according to indications, they will also begin to be affected by the wave of reductions.

On the other hand, it is expected that 5,000 people from the Indian colony will leave Kuwait for good during this summer. There are two reasons for this departure. The first is the incentives and inducements that the Sultanate of Brunei has recently begun to offer to Indian workers in particular. The second is the method of the Indian community in dealing with what they consider to be a period of austerity in the Gulf. This method consists of workers sending their wives and children to India while they remain in Kuwait and live in groups in one apartment or house. In this way they reduce their cost of living as well as rents. Thus, more than 50 percent of the apartments that were occupied by Indian families are now empty.

13292/12899

CSO: 4404/359

KUWAIT

BRIEFS

MEETING WITH IRANIAN EMBASSY COUNSELOR--The director of the office of the deputy of the Foreign Ministry, Ahmad al-Fahd, met yesterday with the counselor of the Iranian embassy in Kuwait, Mr Jawad Imami Radawi. During the farewell meeting on the occasion of the end of Mr Radawi's assignment in Kuwait and his transfer to Tehran, the bilateral relations between the two countries were reviewed. Mr Radawi also met with the director of the administration of consular affairs in the ministry, Ambassador Plenipotentiary Jasim Bahman, for the same purpose. [Text] [Kuwait AL-SIYASAH in Arabic 18 May 86 p 3] 13292/12899

QATAR-BAHRAIN DISPUTE--His Highness, Prince of the Land, Shaykh Jabir al-Ahmad al-Jibir al Sabah, will receive his Highness Crown Prince and Prime Minister Shaykh Sa'd al-'Abdallah al-Salim al-Sabah at his office in al-Sayf Palace today where they will discuss, in their regular weekly meeting, several important local and Gulf matters and issues. In addition, AL-SIYASAH has learned from diplomatic sources that Kuwait will continue its outstanding efforts to mediate between Qatar and Bahrain to solve the dispute between the two countries, in which some developments have occurred recently, and to work on placating some of the officials in the two fraternal countries, soothing the situation, and bringing about harmony rather than enmity between the fraternal countries. [Excerpt] [Kuwait AL-SIYASAH in Arabic 17 May 86 p 2] 13292/12899

CSO: 4404/359

PALESTINIAN AFFAIRS

PLO REPRESENTATIVE DISCUSSES AMMAN AGREEMENT

Riyadh AL-YAMAMAH in Arabic 4 Jun 86 pp 40-41

[Interview with Rafiq al-Natshah, PLO Representative in Riyadh, by Qasi al-Badrah; in Riyadh, date not specified]

[Text] The Palestinian cause, and the PLO in particular, has been the source of much debate and many questions over the past 2 weeks because of two consecutive visits to the occupied territories. The most prominent was by British Prime Minister Mrs Thatcher. Furthermore, there is the issue of Palestinian reconciliation, which has attained the first order of importance to all who sympathize with the Palestinian cause, and the invitation extended a short while ago by the Algerian president to effect this reconciliation. We presented all these questions and more to the PLO representative in Saudi Arabia, Mr Rafiq al-Matshah (Abu-Shakir), and this interview concerns these topics and others.

[Question] How far developed are plans for the Palestinian reconciliation conference called for by Algeria?

[Answer] Without a doubt, the initiative to call for holding a meeting including all the factions of the PLO is one which warrants our thanks to Algerian President Chadli Bendjedid, and which deserves our prompt acceptance. We believe his step is a positive one along the road towards increasing unity and consolidating a single Palestinian axis of unity among the resistance factions within the framework of the PLO.

We affirm that the acceptance of this invitation constitutes in itself a positive position by all those who will accept it, and serves to alert all to the danger of the level to which the Palestinian cause has sunk. We encourage the acceptance of this invitation with open hearts and minds, and without any conditions.

The first step is to announce acceptance of this initiative. We have accepted and welcomed the invitation, and likewise, a number of other organizations have announced that they welcome it. We are anticipating the acceptance of this invitation by all the guerrilla organizations in an independent and responsible manner.

The second step is to set the date for preparatory sessions in order to agree on all the preliminary steps towards convening the seventeenth Palestine National Convention, and to establish the necessary framework for a political agenda for the next stage, and to assess all the political movements in terms of the previous stage. We are anticipating this invitation which will set the date for convening this session, and also determine the delegates from all the Palestinian organizations. There are some organizations which have not yet selected their delegates. We are waiting for them to do so, and hope the meeting will occur after the end-of-Ramadan celebration.

[Question] Are there some organizations which continue to cling to their views?

[Answer] Yes, there are some organizations which have linked their positions to those of other Arab organizations or regimes. Regarding that, we say that we will meet with whoever attends, and we remain waiting for those who will not attend. Nevertheless, we are assured of arriving at a result which recognizes the unity of the guerrilla organizations integrated within the framework of the PLO.

[Question] To what extent is the Fatah organization willing to abrogate the Amman agreement, and do you believe the cancellation of this agreement will pave the way for Palestinian reconciliation?

[Answer] The resumption of cooperation with the PLO is an important thing, and we are striving towards it. But unfortunately, these splits occurred before the seventeenth Palestine National Convention was held, and before the Amman agreement was reached, and neither the Palestine National Convention nor the Amman agreement was the cause of the alienation of some of these organizations from the PLO. Some imagine it was the Amman agreement which was the cause of these differences, whereas the agreement between the Palestinian movement and Jordan was subsequent to, and did not precede, the differences.

Additionally, in the course of the Palestinian revolution, there has never been any "holy" resolution or any "holy" leader. Every resolution is subject to change and debate and cancellation and compromise. Likewise, every leader in the arena can be changed, the executive committee has been toppled more than once, its membership has been changed more than once, and every national convention decides its mandate.

The Amman agreement is not engraved in stone, and insofar as it did not reap any benefits, it was a political agreement tailored specifically to certain events at a certain time. The Fatah movement does not cling to the Amman agreement, nor to others; this is just not true. In fact, we are willing to offer for discussion not only the Amman agreement, but all previous agreements, and it is up to the convention to decide what it wants.

[Question] All observers have noticed recently an upsurge in guerrilla activities in the occupied territories. Is this a new strategy of

Palestinian action, and if so, what is the extent of the ability to pursue it?

[Answer] I hope that we do not forget, amid the profusion of political clamor and the statements issued by politicians, that as long as there is no foundation for peace, or peace initiatives, or the American position, or positive aspects of the American position, that all of these things are deceptions and mirages. There is no solution among the solutions, and even if there were a solution for the restoration to the Palestinians of their homeland, and their nation, and their right to self-determination, that would still never be the root justification of the existence of the PLO. Even if a leader from among the Arab leaders, or any nation among the nations, or any political party from among the parties was established and was charged by nationalism or Islam to liberate Palestine, that would still not be justification for the creation of the Fatah organization or the PLO.

[Question] Then what is the justification for the existence of this Palestinian revolution?

[Answer] The justification for the rise of this Palestinian revolution is peace for the Palestinian people, their return to their lands, and the securing of their rights and security. Their return to Palestine will never be achieved by any sort of political movement--that is the first principal upon which the Palestinian revolution was founded. It is predicated on the tactic of armed struggle as the only path towards the liberation of Palestine. We believe with absolute certainty in this observation, that it is the only way, and that if anyone has an alternate way, it is inferior. We are not obstinate, nor inflexible, nor fanatics. Our goal is justice. We want the fight to self-determination and our legal rights, and our return to Palestine. Is it possible to achieve that through peace?

If anyone has a plan which contains this, we have not heard of it.

There are two kinds of plans; the plans of our brothers and friends, which are not liable to be implemented, like the Fez Plan and the Brezhnev Plan, and the plans of the enemy, such as the Reagan Plan, which does not provide for the rights of the Palestinian people. It will not achieve the biased goal it aims for, because it serves the Israeli enemy and ignores the Palestinian people. Armed struggle is the only way open before us until we arrive at a different way.

This development (in the occupied territories) is evidence that our people do not submit to all the blandishments of so-called solutions, because unfortunately there are no solutions offered. Therefore, our people know their way, and thus reaffirm it, and will persist at it, and we are proud of these sacrifices which make us hold our heads high.

We will continue to adhere to our basic strategy of armed struggle, and continue to strive with all the strength we can muster until we realize our goals, God willing.

The first and foremost obstacle impeding us from developing the armed struggle in order to vindicate the Arab Islamic nation, and to vindicate our Palestinian people in particular are the reactionary Arab positions which forbid us from exercising our natural right of armed struggle from any area adjacent to the occupied territories.

[Question] Several weeks ago, there were persistent reports centering on a possible Israeli operation against Syria and the Palestinians in Lebanon. Why has this storm abated?

[Answer] In fact, while it has abated, it has not stopped, but in the arena of the Palestinian people, it is self-evident that the continuous combat against this people has not been stopped or halted for a day. And now, it is the Lebanese people and our people who pay the price of blood on behalf of the Arab nation and its interests in Lebanon and elsewhere.

We continue to bear the brunt of the blows, but it also appears that a strike against the Syrian army is at hand, and I cannot say whether it has been cancelled or merely postponed.

According to my information, the international powers intervened in this issue, particularly the Soviet Union, as has been announced, and I cannot tell whether they cancelled or delayed it. The case seems to be one of delaying it because the Arab nation, its people, army, governments, and states are all threatened. Its only a matter of time and whether we recognize this truth and behave accordingly, or continue our sleep of illusions!

[Question] What is the Soviet position on the PLO? Is it exerting efforts with Damascus to patch up the cracks between the PLO and Syria?

[Answer] The position of the Soviet Union has not changed. It continues to give steadfast support to the Palestinian cause at the international level and at international forums, and to affirm the rights of the Palestinian people to establish an independent nation and their right to self-determination.

Likewise, this stance does not infringe on its relationship with the PLO, because while recognizing the peoples' cause, it acknowledges the PLO as the sole representative of the Palestinian people.

This relationship continues to be valid, and steadfast, and uncontaminated by any faults.

With regard to mending the rifts between Syria and the PLO and consolidating national unity, according to our information, it has without doubt expended very great efforts. It exerted efforts with Syria, and our information confirms that it exerted efforts with some of the other organizations. We can extend our thanks to the Soviet Union because we recognize it was instrumental in securing the cooperation of President Bendjedid and encouraging his previously mentioned invitation.

I do not want to conceal the fact the Soviet Union had some reservations towards the Jordanian-Palestinian agreement. It feared this would lead to conceding to a partial settlement, like Camp David, and it remained adamant about this point. We informed them that this would not be a consequence, and events have since confirmed that this was indeed not a result. We reject [Resolution] 242 and we reject yielding to its principals.

[Question] A short time ago, Italian Foreign Minister Giulio Andreotti visited the occupied territories, and last week this was followed by the visit of Mrs Margaret Thatcher to the occupied territories. It is said that she differed with Peres over the PLO and arms, and that likewise the mayor of Gaza proposed solutions to the Italian foreign minister. Do you consider such independent solutions incompatible with the PLO?

[Answer] If there was a difference of opinion between Britain and the occupying country, perhaps that is good. But we do not believe that the aggressive occupying country is in any need of extra weapons, because the weapons of the American army and arsenal are themselves the weapons of the Israeli Army, which we believe to be self-evident.

With regard to the differences over the PLO, if Mrs Thatcher does not recognize the PLO, and if she does not recognize the Palestinian people's right to self-determination, and if she does not recognize the necessity of creating an independent nation there for the Palestinians, then how does she differ with Peres over the PLO?

Thatcher did us an injustice during her visit to the occupied territories, in that she dealt with a substitute for the PLO. We know the trick of the card game played with three cards; it is getting old, and if Mrs Thatcher has new cards to deal to the PLO, she should say so. The Palestinian people acknowledge that the PLO is their only representative. Our people in the occupied territories, in all their diversity, and particularly the district leaders, recognize that the PLO is their sole representative. That Thatcher does not want to hear and understand, or discuss, or accept this makes us doubt seriously that there is a difference between Mrs Thatcher and Peres concerning the PLO.

With regard to brother al-Shawah, he demanded the withdrawal of Israeli forces from the Gaza Strip, without home rule or even joint rule, because he rejects joint rule and considers it the same as occupation.

Any idea proposed by a source in the PLO is open to debate and negotiation. We are in contact with our people in the occupied territories, and we will never be a stumbling block for any Israeli withdrawal, even if it is only 1 inch.

12815/9190
CSO: 4404/342

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

HADRAMAUT GOVERNORATE'S AGRICULTURAL PRODUCTION IMPROVED

Aden 14 UKTUBAR in Arabic 6 Apr 86 p 1

[Article by 'Aziz al-Tha'alibi: "Hadramaut Governorate: Implementation of Agricultural Production Plan with Increase of 3,038 Tons in Production"]

[Text] Of the agricultural sector's programs in Hadramaut Governorate for 1986, 96 percent were implemented, an increase in production of 3,038 tons in comparison with the year 1983-84.

The area cultivated with agricultural crops amounted to 38,335 feddans producing 50,360 tons.

In the sphere of cultivable-land surveys and reclamation, a total of 370 feddans have been reclaimed in the state farms in Bahran and in (Umm Dharwi farm in al-Qatan). Insofar as well drilling is concerned, 97 percent of the project to drill wells has been completed.

The Public Agricultural Services Organization has fully implemented its supply plan for seeds, pesticides, and fertilizers. The organization's sales for 1985 amounted to 528,859 dinars, with an increase of 68 percent over 1984 and an implementation rate of 157 percent of what was set in the plan.

This is stated in a report by this paper's correspondent in the governorate--a report which deals with the successes of the governorate's agricultural organizations in implementing their 1985 plan.

The report adds that the organization's drilling branch implemented 93 percent of its 1985 plan, drilling 1,535 linear meters. Moreover, 15 wells have been drilled for irrigation purposes. The report also points out that the organization's successes in implementing these projects is due to the introduction of new rigs and pumping means and to the presence of experts in the branch.

As for the activity of the date-packaging unit in Saywun, the report notes that the unit realized a surplus of 1,800 dinars.

The source also pointed out that the governorate's branch of the Fruits and Vegetables Organization completed its 1985 building of a refrigerator

with a capacity of 1,000 tons in Jawl Mashah area, al-Mukalla District, a refrigerator with a capacity of 500 tons in Saywun, and, a naturally-ventilated warehouse with a capacity of 1,000 tons in the town of Saywun. There has also been an increase in egg production, with the quantity of eggs marketed in 1985 amounting to 22,495,000 eggs and with an implementation rate of 130 percent.

It is worth noting that the chicken farm existing in Fuwwah was able to implement its 1985 plan and produced 5,740,200 eggs, with an implementation rate of 150 percent of the plan. A total of 6,500 tons of fresh chicken meat were also marketed. The farm activity is scheduled to see an improvement in the coming period within the framework of a project to produce 15 million eggs. This project will be put into operation to improve the standard of the farm's services in meeting the citizens' meat and egg needs.

8494/9190

CSO: 4404/322

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

PROJECT TO DEVELOP AGRICULTURE IN WADI HADRAMAUT DISCUSSED

Aden 14 UKTUBAR in Arabic 13 Apr 86 p 2

[Article by 'Ali al-Kadi: "Director of Wadi Hadramaut Agricultural Development Project to 14 UKTUBAR: Project Objectives Include Increasing Production and Developing and Improving Agriculture in Wadi"]

[Text] The Wadi Hadramaut agricultural development project is one of the republic's economically most important agricultural projects by virtue of its covering a vast cultivable area of Wadi [valley] Hadramaut. The lands to be covered by the project are estimated at more than 3,200 hectares. The project's objectives include increasing the production of various crops by supplying fresh water, surveying and reclaiming lands, and developing the system of irrigation and intensified use of mechanized agriculture in order to reduce production costs.

To familiarize us with the phases undergone by the project and with the project's economic and social objectives, Comrade Ahmad 'Alawi Kuraysan, the project director, spoke to this paper, pointing out at the outset that the first phase of the project, with a total cost of more than \$7 million, was completed in 1982 and that the second phase, with a total cost of \$36 million financed locally and with loans from the Arab Fund for Economic and Social Development, the Kuwait Fund, and the World Bank, is scheduled to be completed in 1987.

Comrade Ahmad Kuraysan pointed out that the government has concluded a number of agreements with foreign firms to implement the project, including a Chinese engineering firm which will drill 56 wells and install pumps on them. By the end of December 1985, this firm completed 45 wells and it is expected to complete the remaining 11 wells next June. The value of the contract concluded with this firm amounts to 1,114,899 dinars.

A second agreement was concluded with (Maps) Aerial Photography Company to photograph the republic's main valleys. The photography work was completed recently. It is worth noting that the second agreement is divided into two parts, with the second part calling for conducting a study on how to deal with the damage caused by floods in the republic's main valleys. It is expected that the company's final report will be submitted by the end of next August. The value of the contract for the second agreement has

exceeded 225,540 dinars. A third agreement was concluded with Macdonald, a British consulting firm which supervises the well-drilling, the construction of the farms, the blueprints, and the underground water study. The value of this contract amounts to 296,263 dinars.

The fourth agreement was concluded with the same company and calls for carrying out the topographical survey and for supervising construction of the farms in the valley. The value of the contract for this agreement is estimated at 314,757 dinars. A fifth agreement was concluded with the Chinese engineering firm to level the ground for the new farms in an area of 3,200 hectares, to line the canals, and to repair the dams. The value of the contract with this company amounts to 4,417,095 dinars. The company is expected to launch its work this month.

The sixth agreement was concluded with (K.S.B.), a German firm, for the purchase of 70 electrical pumps to be installed on the wells to be drilled. The value of the contract with this company amounts to DM2,481,460. The pumps are expected to be delivered in the next few months.

Comrade Ahmad Kuraysan asserted that there are future projects which will be implemented while this project is under construction, including a model date palm farm with an acreage of 100 hectares in Taris area which is adjacent to the town of Say'un, in order to develop and improve the cultivation of date palms. There is another project to develop orchards by introducing new kinds of fruits to the valley and by developing fruit cultivation. This is in addition to training local cadres in the agricultural sphere and to organizing programs to train cooperative farmers in an area of 3,200 hectares in mechanized agriculture and to provide agricultural guidance and cooperation.

Concluding, Comrade Ahmad 'Alawi Kuraysan, the project director, pointed out that completion of the project will boost agriculture in our country and will have a major impact on increasing the production of various crops. He also said that the project objectives further include conducting studies on underground water and on the volume of the underground water store and studies on how to deal with damage caused by floods. On the basis of these studies, consideration will be given to implementing a third phase of the project in order to develop the cultivable Wadi Hadramaut, which will become in the future one of the republic's biggest agricultural valleys.

8494/9190
CSO: 4404/322

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

HADRAMAUT LOCAL COUNCIL'S SESSION APPROVES BUDGET

Aden 14 UKTUBAR in Arabic 7 Apr 85 p 4

[Article: "In First Session of 1986, Hadramaut Governorate's Local People's Council Approves General Budget and Budgets of Local Agencies"]

[Text] The Hadramaut Governorate Local People's Council held its first ordinary session of 1986 in the period from 30-31 March 1986.

At this meeting, the council discussed a number of important issues, including the report assessing the governorate's activities to implement the two plans of the Local People's Council and of its Executive Bureau for 1985, the opinions of the voters in the electoral districts, the steps the Executive Bureau has taken regarding these opinions, and the tendencies of the Executive Bureau's plan for 1986. The council also assessed the implementation of its 1985 plan, which was fully implemented, and the implementation of its Executive Bureau's plan, 97 percent of which was implemented.

In its discussions, the council approved the governorate's 1986 budget, which amounts to 9,956,845 dinars and to which the governorate will contribute 1,535,001 dinars, and the central government will contribute 8,421,844 dinars.

The council agreed to supervise implementation of the budget in a manner compatible with cabinet Decrees No 11 and No 12 so as to reduce spending and increase revenues in 1986. The council also approved the budgets of the governorate's local agencies and housing directorate for 1986.

The council lauded the role performed by the Governorate's Popular Control Committee in 1985 in following up on implementation of the instructions of the Local People's Council and its Executive Bureau and put emphasis on continuing the efforts in this direction.

The statement notes that the Hadramaut Governorate Local People's Council also adopted a number of measures to strengthen the supply stability prevalent in the governorate and to tackle the bottlenecks in the imports program of some agencies through proper measures concerning sale and distribution and measures to encourage these agencies to implement the projects included in their plan.

The council issued a decree appointing brother Jubran Sa'id Jubran as head of the customs department in Hadramaut Governorate.

Upon concluding its session, the council issued a final statement lauding the individuals who volunteered to join the military and security establishments to defend the legitimate government and to foil the ill-fated 13 January plot which was perpetrated and led by conspirator 'Ali Nasir and his clique and stressing in this connection the need to provide care for the families of the martyrs and wounded victims of the bloody plot.

In reviewing the 13 January 1986 incidents witnessed by our country, the council stressed the need to implement the measures adopted by the governorate's party organization and by the Local People's Council's Executive Bureau to organize the governorate's contribution to eliminating the traces of the plot and to rebuilding the capital. The council also lauded the brave and heroic stance taken by the party cadres, by the governorate's masses, and by the military and security establishments to confront the bloody 13 January plot, reaffirming the resolution to continue the relentless struggle in defense of the revolution and the country.

8494/9190

CSO: 4404/322

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

PRESIDENTIAL VISIT--Kuwait, June 25 (KUNA)--Kuwait's Deputy Premier and Foreign Minister Shaykh Sabah al-Ahmad Wednesday received Ambassador of the People's Democratic Republic of Yemen to Kuwait 'Abd al-Wahid Fa'ri. KUNA learned that the ambassador delivered a verbal message to Shaykh Sabah from the Yemeni Foreign Minister 'Abd al-'Aziz al-Dali. Shaykh Sabah told KUNA that he discussed with the ambassador the expected visit of the Yemeni President Haydar Abu Bakr al-'Attas to Kuwait as well as bilateral relations. The Yemeni president's visit to Kuwait comes within a tour that will cover the Gulf countries as well, KUNA learned from Yemeni official sources. The sources said that Al-'Attas will start his Kuwait visit on July 14 after he concluded an Arab tour which includes Syria, Libya and Algeria beginning next Friday. [Text [Kuwait KUNA in English 1043 GMT 26 Jun 86 LD] /6662

CSO: 4400/220

AFGHANISTAN

NAJIBULLAH REPORTEDLY PROVIDED WITH SOVIET BODYGUARDS

Tehran TEHRAN TIMES in English 11 Jun 86 p 1

[Text] Marxist Afghanistan's new party leader, Dr. Najibullah, has been provided Soviet bodyguards, according to reports received by Western diplomats in neighboring Pakistan.

A Kabul resident reported seeing Najibullah being shadowed by Soviet plainclothes security agents when he visited a military hospital and friends in the Afghan capital on "Eid-Al-Fitr", the Moslem festival marking the end of the fasting month of Ramadhan.

Troops had cordoned off the area on the occasion, the Afghan source told the diplomats.

Meanwhile, official Kabul Radio denied a Chinese press report that Najibullah was injured in a shootout between his supporters and those of his predecessor Babrak Karmal in Kabul on June 2.

Karmal, who continues to be president of Soviet-occupied Afghanistan after being replaced in the party post by Najibullah May 4, delivered the main speech from the leadership marking Eid-Al-Fitr.

Another report said Soviet occupation forces in Afghanistan carried out air and ground attacks against anti-Communist guerillas in areas around the capital Kabul last week.

The report said the operations were apparently intended to flush out Mujahideen rebels from areas to the north and south of Kabul

and to block their access routes to the capital.

The diplomats, who asked not to be identified, said the Soviets carried out ground sweeps in the Shomali, Wardak and Logar regions and air strikes in Paghman on June 5-6.

Soviet troops have assumed greater security responsibilities in the Afghan capital, according to the diplomats. Nighttime helicopter surveillance resumed last week after a break of several months, they added.

Meanwhile, guerilla activity appears to have declined in the strategic Panjshir Valley, through which traffic passes between Kabul and the Soviet border, a source said.

A resident in Panjshir, about 90 kms northeast of Kabul was quoted by the diplomats as saying the population in the lower part of the valley mostly consisted of women, children and old people.

Forces of guerilla commander Ahmad Shah Masood, who once controlled the valley were scattered in the more inhospitable upper region, or in the adjoining Badakhshan Province, the source said.

Only a small area of land can be cultivated to grow food. Attempts to sow a larger area have been foiled by Soviet forces who burn the crop in a bid to deny surplus food reaching the guerillas.

28 July 1986

AFGHANISTAN

TOP OFFICIAL REPORTED KILLED, ANOTHER JOINS REBELS

Tehran TEHRAN TIMES in English 4 Jun 86 p 1

[Text]

ISLAMABAD (Dispatches)—The Afghan deputy state security minister was killed by a rebel mine near the southern Afghan town of Kandahar, diplomats reported yesterday.

They identified the official as only Nabi, who they said died with three to five other officials when their jeep struck a landmine on May 23.

Some Western diplomats quoted non-Western diplomatic sources for their information, which described Nabi as a high-ranking official of the Khad secret police. Another Western diplomatic source said Nabi was a deputy minister in the State Security Ministry, which runs Khad.

The diplomats also reported heavy losses suffered by Afghan government forces in the eastern province of Paktia with 70 to 80 wounded soldiers brought to a Kabul Hospital from there on May 27.

The diplomats quoted reports received from Afghanistan as also saying that guerillas fighting the Soviet-backed government carried out

repair facility at Bagram air base north of Kabul.

The facility repairs aircraft damaged in battle and handled three or four planes a month, the paper quoted Khan as saying.

The National Islamic Front of Afghanistan, one of several Afghan guerilla groups based in Peshawar, confirmed Monday that Khan had defected about a month ago and joined its organization.

Another report said twenty-one Afghan refugees in Pakistan have been killed in a gunbattle over disputed allocation of arms to fight Soviet-backed forces in Afghanistan, guerillas said yesterday.

Two tribal groups opened fire on each other at Gardi forest refugee camp near the western town of Chagi last Saturday, guerillas in Quetta city told Reuters.

The Noorzai and Achakzai tribes argued over the distribution of guns and ammunition brought by rebel suppliers, they said.

small-scale rocket attacks on military objectives in Kabul, including the airport and the Soviet base at Khairkhana.

They said 46 ruling Communist Party members, including two Khad officials, were killed in a rebel attack near a party office in Paghman northwest of Kabul on May 17 and five military aircraft were shot down in the southern province of Ghazni during April and May.

According to another report an Afghan Air Force general has defected to anti-government guerilla groups and said insurgents destroyed 40 aircraft in Afghanistan over the past year, according to a report Monday.

The Pakistan Times, a government-owned newspaper, reported in a front-page story that Brig. Gen. Mir Alam Khan recently defected to Afghan rebel forces and crossed into Pakistan.

The report, which cited Afghan exile sources in the Pakistani border city of Peshawar, said Khan, 49, commanded the Afghan Air Force's

/13104

CSO: 4600/391

AFGHANISTAN

REBELS CLAIM PLANE DOWNED WITH SAM-7 MISSILE

Tehran TEHRAN TIMES in English 10 Jun 86 p 1

[Text]

ISLAMABAD (DEA) - Afghan rebels shot down a Soviet transport aircraft with a SAM-7 missile in the Koh'e Khost area near the Shindand Air Base in western Afghanistan, the rebel Afghan Islamic Press (AIP) agency reported Sunday.

Fifteen Soviets on board were killed as the plane disintegrated over Sultan village, also killing three villagers, the agency said, quoting Afghan sources arriving in Pakistan from the Farah Province of Afghanistan. The incident was said to have taken place on May 27.

Three days later, rebels destroyed six helicopters and two jets in a devastating rocket attack on the Shindand Air Base itself, the agency said.

The 60 rounds of 107 millimeter rockets fired into the biggest Soviet base in Afghanistan from three sides killed 24 Soviet soldiers and set the fuel storage of the base on fire, which burnt for two days, according to AIP. It was the biggest loss suffered by the base since sabotage destroyed 20 aircraft there almost a year ago.

Meanwhile, Afghan resistance sources in the Pakistani border town of Peshawar reported that on Friday night anti-Communist guerillas launched a coordinated attack on Afghan military positions at Bayan Khel and Ali Khel areas in the Paktia Province bordering Pakistan, killing 11 Afghan soldiers at Ali Khel.

INDIA

GANDHI MESSAGE ON SOUTH AFRICA DISCUSSION REPORTED

New Delhi PATRIOT in English 17 Jun 86 p 7

[Text] Paris, June 16 (PTI, UNI) — Prime Minister Rajiv Gandhi today urged the world community to launch "concrete and immediate action" against South Africa to end apartheid.

"The time for verbal denunciation is over. There should not, and cannot be any encouragement to efforts for the so-called reform of the evil system of apartheid. It has to be totally uprooted and destroyed," Mr Gandhi said.

In his message to the world conference on sanctions against South Africa, in his capacity as chairman of the non-aligned movement, Mr Gandhi said "we cannot wait indefinitely and helplessly in the face of daily destruction of the moral values of civilization."

The message was read out by India's Minister of State for External Affairs Eduardo Faleiro at the opening session of the five-day conference convened by the United Nations sub-committee on South Africa.

Mr Gandhi said today was the 10th anniversary of the brutal massacre of hundreds of innocent school children in Soweto. It is a sombre reminder of the nature of the "monstrous regime" in Pretoria, he added.

"It is only appropriate that the world conference on sanctions against South Africa should meet today to raise its voice against the continuing inhumanity of apartheid", the Prime Minister said.

The conference, which is being attended by nearly 100 countries, is not represented by Britain, France, and West Germany.

The Prime Minister indirectly criticised the western industrialised countries who are reluctant to impose sanctions against South Africa because of their economic interests there.

He called upon the participants of the conference "in the name of humanity" to forge a united will to enforce immediate and effective mandatory sanctions against South Africa.

/13104

CSO: 4600/1851

INDIA

NATION POISED TO ENTER WORLD TITANIUM SCENE

Dhaka THE HINDU in English 28 May 86 p 18

[Text]

Titanium, the youngest among the engineering metals, is characterised by an outstanding combination of physical, chemical and mechanical properties. Nearly half as light as steel, titanium exhibits excellent mechanical properties at moderately elevated temperatures.

Starting with a meagre production of 50 tonnes in 1950, mostly for the aeronautical sector, the world titanium industry has grown by leaps and bounds and in 1982-83 the installed capacity reached a phenomenal figure of 1.2 lakh tonnes per year. While the utilisation of titanium has been fairly widespread throughout the world, its production has been restricted to only five countries — the USSR, the U.S., Japan, the U.K. and China — mainly due to the technological complexities involved in the extraction of this reactive metal.

It is noteworthy that India has just acquired technology for large scale production of titanium sponge through the Technology Development Centre set up at the Defence Metallurgical Research Laboratory, Hyderabad, and is thus poised to enter the world titanium scene.

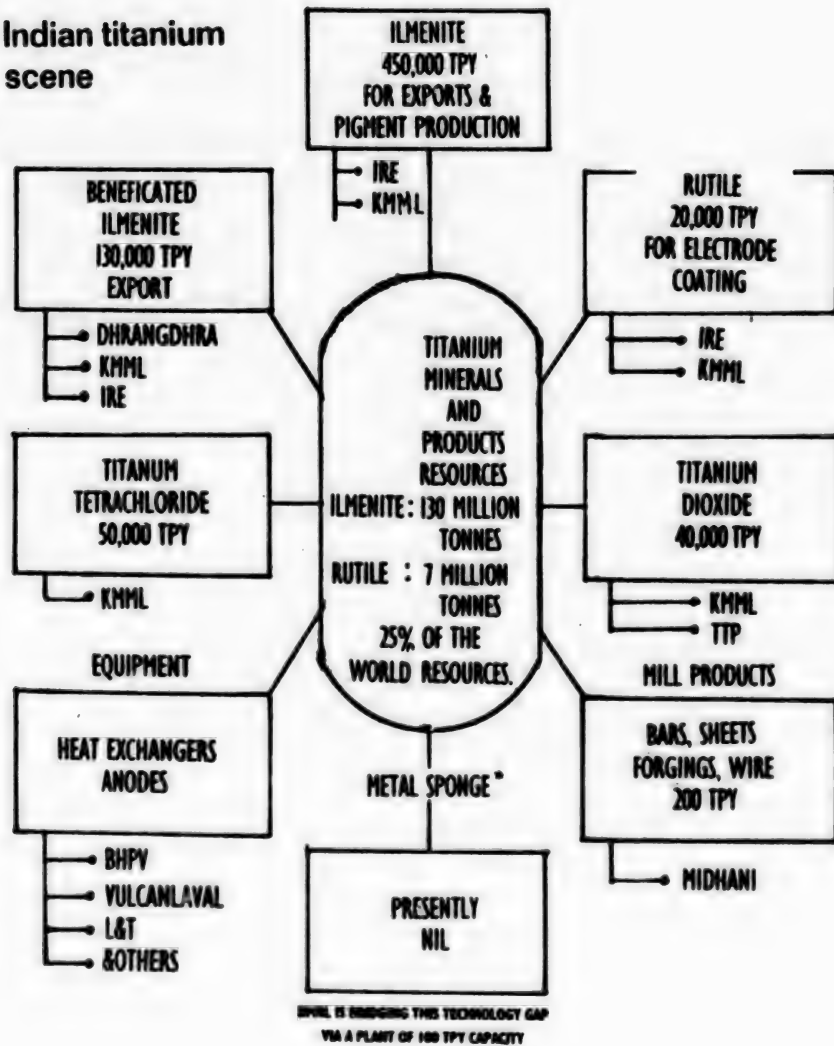
With a combination of several other attractive properties such as (i) high strength to weight ratio; (ii) outstanding corrosion and erosion resistance to a wide range of acidic, alkaline and saline media and (iii) amenability to heat treatment and alloying for tailoring alloys

with specified properties, titanium today has become the designer's choice for a variety of applications ranging from power generation, chemicals and aerospace to sportsgoods.

The driving force for much of titanium and titanium alloy development has come from the aeronautical industry. Titanium is a strategic material in defence. Its temperature capability combined with excellent specific strength is utilised in both structural applications such as airframes, fasteners and rotor hubs and as critical rotating components in the compressor sections of jet engines. Its low ductile-brittle transition temperature is suited for cryogenic applications in space vehicles as a material for pressure bottles, refrigerant containers, fuel and propellant tanks.

The Indian titanium scene as can be seen from the chart is restricted to mineral processing and beneficiation mostly for export and production of pigment titanium dioxide for the paint industry. Although at Midhani, Hyderabad, excellent facilities exist for the production of a wide range of mill products in titanium and titanium alloys, their operations are entirely based on the import of the primary metal. It is this gap that the Defence Metallurgical Research Laboratory has bridged through the Technology Development Centre for titanium inaugurated on April 26.

Indian titanium scene



/9317
CSO: 4600/1830

INDIA

CARBIDE'S RIGHT OF APPEAL CHALLENGED

Bombay THE TIMES OF INDIA in English 14 Jun 86 p 9

[Text]

NEW YORK, June 13 (PTI).

THE Union Carbide has reserved the right of appeal though it has accepted the decision by an American court that the lawsuits arising out of the 1984 Bhopal chemical leak disaster be heard in India. The right of appeal was promptly challenged by the Indian government.

The multinational corporation announced its decision to agree to the conditions laid down by the New York federal district judge, Mr. John F. Keenan, for the trial of the world's worst industrial disaster case in India yesterday evening. He had given it 30 days to respond to his judgment of May 12 last.

The Indian government spokesman, Mr. Talmiz Ahmad, said that they did not have a right to appeal. "We do not believe that Union Carbide has a right to appeal. They are not the aggrieved party," Mr. Ahmad said after the company's statement.

In his ruling on May 12, judge Keenan had said that he would send thousands of claims arising out of the Bhopal disaster in which at least 2,000 people died, to India if Union Carbide agreed to submit to Indian jurisdiction, make good any judgment by the Indian courts and abide by the U.S. rules for exchanging pre-trial information.

'GOOD FOR CARBIDE'

Just before the expiry of the 30-day period given to it to respond to the decision, Union Carbide Corporation said in a statement, "We are pleased

the court is sending the case to India where it belongs. This is good for Union Carbide Corporation. We have accepted the judge's conditions, as corrected by court order of June 10, while reserving the right of appeal. Whether we exercise the right of appeal depends on actions of others."

A company spokesman explained that the May 12 order made it obligatory for Union Carbide to satisfy any judgment rendered by the Indian courts which it found to be "ambiguous". The judge clarified this on June 10, requiring Carbide to satisfy only a judgment rendered directly against it, the spokesman added.

Reacting to the Carbide statement, Mr. Ahmad said that if the corporation was not happy with any of the conditions, "they should say so plainly so that the case can be pursued in the U.S." But he emphasized that the Indian government was setting in motion the procedure for expeditious trial of the case in India.

Experts here said that even with the Carbide agreeing to the trial of the cases in India, lawyers who claim to represent private plaintiffs could file an appeal against the May 12 ruling. They can do so in the court of appeals by July 12.

After the Bhopal accident of December 3, 1984, more than 100 suits were filed against the corporation in several courts here before they were consolidated in judge Keenan's court. In March, Carbide had offered a settlement of \$ 350 million but this was rejected as inadequate by the Indian government.

/9317

CSO: 4600/1843

INDIA

FURTHER SCOPE FOR INDO-SOVIET TRADE SEEN

Madras THE HINDU in English 4 Jun 86 p 8

[Editorial]

[Text]

AT THE END of three decades of active economic interaction between the two countries which commenced with the Soviet undertaking in 1955 to set up the Bhilai Steel Plant, the frontiers of bilateral trade have been pushed far beyond the perspective of India's Second Five Year Plan. The trade which aggregated to less than Rs. 2 crores in 1953 amounted to Rs. 4,620 crores (estimated) in 1985. By virtue of the trade protocol for 1986-1990, it can gain further momentum and reach the level of Rs. 10,000 crores by 1990 provided, of course, areas of complementarity are developed in the framework of a long-term plan. The two agreements concluded during the Prime Minister, Mr. Rajiv Gandhi's Moscow visit in May 1985—the Agreement on Economic and Technical Cooperation and the Agreement on the Main Directions of Economic, Trade, Scientific and Technical Cooperation up till the end of the century provide the tapestry for a wide range of collaborative pursuits. While the one billion rouble credit announced by the Soviet Union would facilitate the creation of substantial new capacity in the power, coal, oil, ferrous metallurgy and machine building sectors, greater Soviet participation in trade and industry would call forth new initiatives by Indian industry not only for import of machinery and equipment but also for turnkey projects and joint ventures. Here the Soviet Union has to compete with Western Europe and countries such as the United States and Japan that offer the latest technology.

Phenomenal as the expansion of Indo-Soviet trade has been—the Soviet Union accounts for about 11 per cent of India's imports and 14 per cent of its exports—there is still scope for product diversification. While imports have been predominantly crude oil and petroleum products (5-6 million tonnes per annum) and fertilizers, the exports have, by and large, typified the less sophisticated segments of the Indian economy. India needs more vigorously to tap the Soviet potential for imports of engineering goods, machinery for turnkey projects, minerals and ores, chemicals and leather manufactures. And the Soviet Union will have to concert ways of exporting machinery and equipment of the requisite specifications to meet the ongoing technological upgradation in Indian industry. As the Union Finance Minister, Mr. V. P. Singh, pointed out while inaugurating the Indo-USSR Chamber of Commerce and Industry on Monday, if the rupee trade is to be of optimum benefit to India, Indian imports might have to be increased in sufficient measure to offset the steep decline in the rupee earnings that Soviet Union has to face as a result of the precipitous fall in oil prices. The question is whether India can find the surpluses in production which can meet the requirements of exports to the hard currency areas as well as those covered by the rupee trade. As things are the Finance Minister's expectations might not be realised unless some extraordinary efforts are made by the manufacturing sectors concerned in the country.

/9317
CSO: 4600/1834

INDIA

ISSUES IN INDO-PRC BORDER TALKS DESCRIBED

Calcutta THE TELEGRAPH in English 4 Jun 86 p 1

[Text]

New Delhi, June 3: The assertion of the Chinese vice-foreign minister, Mr Liu Shu Qing, in Beijing yesterday that India would have to concede some territory in the eastern sector in order to settle the Sino-Indian border dispute, is being interpreted here as an indication that China wishes to "bargain" at the next round of talks.

However, there seems little chance of a breakthrough at the negotiations, with official sources here stating that "India sticks by its known position." There was no further reaction to the Chinese statement.

The seventh round of negotiations are due to be held in July in Beijing. The Indian side will be led by the foreign secretary, Mr A.P. Venkateswaran.

At the previous round in Delhi, the two sides had agreed to negotiate the dispute on a sector-by-sector basis. China holds 38,000 square km of Indian territory in the western sector, which it had occupied during the 1962 war. It accuses India of occupying 90,000 square km of its territory on the eastern side. There is

also some dispute over the line of control in the middle sector.

India does not recognise the Chinese claim over Arunachal Pradesh and some adjoining areas in the eastern sector, which China says have been "progressively" occupied by India over the years. On the other hand, China is said to be occupying Indian territory in this sector since 1962.

China has consistently sought to link the disputes in the western and eastern sectors in order to gain concessions in the east by conceding what both sides acknowledge is Indian territory in the west. To prevent this, India has insisted on the sector-by-sector approach.

Hence, Mr Liu's statement to a group of visiting Indian journalists that "the eastern sector is the biggest dispute and the key to an overall solution," is being viewed with some misgivings. According to Mr Liu, it was unreasonable of India to expect concessions in the west if it was unwilling to "make adjustments" in the east.

/9317

CSO: 4600/1832

INDIA

TIBETAN SECRETARIAT QUESTIONS PRC CLAIM ON STANCE

Calcutta THE STATESMAN in English 14 Jun 86 p 9

[Text]

NEW DELHI, June 13.—The Central Tibetan Secretariat has questioned the veracity of a Chinese claim that Tibetans felt strongly against India's stand on the eastern border with China.

A Chinese Vice Foreign Minister had referred to strong Tibetan feelings on the subject to justify China's own claims on the eastern side of the border.

A statement issued by the Secretariat today said that if the Chinese were sincere and prepared to consult the true feelings of the Tibetan people they should ascertain these against the larger issue of Tibet.

The Tibetan feelings on the border, the statement said, were that there was no Sino-Indian border but only the Indo-Tibetan border which was clearly delineated by customary and traditional usage. In particular, the eastern sector of the border was demarcated by the McMahon Line which was recognized both by Tibet and India.

The Secretariat also cautioned against the dangerous implications of the Chinese reference to "China's border people" while referring to the Tibetans. This was a sinister policy, the statement said. While the people residing on the Chinese border were at present Tibetans, with the continuing influx of Chinese into Tibet, the so-called border people could become Chinese majority in future.

"At such a time, the situation could be fundamentally different and dangerous," the Tibetan Secretariat warned.

/9317

CSO: 4600/1855

INDIA

BANGLADESH TRIBAL REFUGEES UNWILLING TO LEAVE CAMPS

Calcutta THE TELEGRAPH in English 4 Jun 86 p 4

[Text] Even as talks between the governments of India and Bangladesh are expected to be resumed soon to work out the modalities for the repatriation of tribal refugees now settled in three camps in Tripura, bulk of them are unwilling to return as they feel that would mean "certain death" for them. Over 10,000 Chakmas, Mogs and Tripuris have fled from their homes in the Chittagong Hill Tracts following a crackdown on them by Bangladesh security forces and Bengalis from the plains who have settled there.

It is estimated that about 250 tribals, including women and children, have been killed. This came in the wake of a major offensive launched by the Shanti Bahini, a tribal underground guerrilla outfit demanding autonomy for the Chittagong Hill Tracts, on April 29 which included attacks on the Army camps and Bengali colonies. The Chittagong Hill Tracts is the traditional home of the tribals. Shugataranjan Chakma (45) who crossed into Tripura on May 20 after a five-day-long trek through the jungles told this correspondent at a refugee camp here (the other refugee camps are at Natabazar and Silachari) that he would "under no circumstances," go back to the Chittagong Hill Tracts unless "our safety is guaranteed by the Bangladesh government." He said he had initially decided he would not come to India, but "the torture by the soldiers and the Muslims became unbearable so we had to leave." (The Chakmas and the Mogs, who are Buddhists, and the Tripuris, who

are Hindus, refer to the Bengali population of Bangladesh as Muslims).

Brajabali Chakma (50) from Panchori in the Khagrachari district of the Chittagong Hill Tracts, who reached Tripura in the first week of May, broke down while narrating her tale of sorrow to this correspondent. She had lost her husband and two sons in what she said was an attack by Bengali settlers backed by the men of the Bangladesh Rifles. "In front of my eyes I saw my husband and my son being killed and our village set on fire. Perhaps I would have been killed too had not some people dragged me away and taken me to the safety of the jungle. We walked for three days and nights before we could cross the border," she said.

Ula Aung (45) also from Panchori, who reached here in the first week of May, also said that he would not go back to the Chittagong Hill Tracts because "we would be killed on reaching our village." He, in fact, implored this correspondent to plead with the government of India not to send them back to Bangladesh.

Most of the tribals deny knowledge of the fact that the crackdown on them by the Bangladesh security forces and Bengali settlers have been in retaliation to attacks on them by the Shanti Bahini. However, a majority of the refugees this correspondent spoke to feel that it is only the Shanti Bahini which can best look after their interests. An 18-year-old girl from Kalanal in Khagrachari said: "The Shanti

Bahini is always there to protect us. We have a lot of faith in them. We know that what they are doing is to the best of their abilities. But it is not possible to match the strength of the Bangladesh Army and that is why we had to flee."

There have been four major influxes of refugees since April 30. The first took place on April 30 itself when about 1,000 Chakmas entered Tripura at Korbuk and Jalaya. After this, on May 4, about 3,000 refugees entered the state at Raisyabari, to be followed by another 1,000 on May 20 and 1200 on May 24, both at Korbuk. Of the refugees who have arrived nine have already died, largely due to exhaustion. A sum of Rs 10 lakhs have already been spent on the refugees of which Rs 9 lakhs have been contributed by the Centre.

Meanwhile, Mr Shyamacharan Tripura, chairman of the advisory committee of the Tripura

Upajati Juba Samaj (TUJS), told this correspondent in Agartala that the party will soon be sending a delegation to Delhi to meet the Prime Minister in order to ensure the safety of the refugees. He said the delegation will consist of the party general secretary, Mr Nagendra Jamatia; and the party's joint secretary, Mr Rabindra Debbarma, and will request the Prime Minister to ensure that the tribals are not pushed back to Bangladesh forcibly, that proper arrangements are made for their stay here, that the Border Security Force does not push back any tribal trying to enter India and the government of India take the initiative in starting talks with the Bangladesh government along the lines of what it is doing with the Sri Lanka government regarding the plight of the Tamils in that country.

/13104

CSO: 4600/1856

INDIA

DELHI SEEKS REPATRIATION OF CHITTAGONG TRIBALS

Calcutta THE STATESMAN in English 9 Jun 86 p 9

[Text]

AGARTALA, June 8.—The Centre has taken up with the Bangladesh High Commissioner in New Delhi the problem created by the large-scale influx of tribal refugees into Tripura from the Chittagong Hill Tracts and has sought their repatriation, reports UNI.

The Tripura Chief Secretary, Mr A. C. Ray, said here today, that the Centre's move was conveyed to the State Government by Mr I. P. Gupta, Additional Secretary, Union Home Ministry, during his visit here.

Mr Gupta, who held discussions with the Chief Minister and the Chief Secretary on this issue at Jatanbari on June 6, also assured that the entire expenditure for the relief of refugees would be borne by the Centre.

Earlier, Mr Gupta went round the refugee camps and held talks with the refugees. He left here yesterday.

Mr Ray said another group of 300 tribal refugees crossed over to Tripura. Now with the refugees' number rising to 11,000, more camps were being set up for their accommodation, he added.

The Tripura Chief Minister, Mr Nripen Chakraborty, today stressed the need for a congenial atmosphere in Bangladesh for the safe return of tribal refugees who have entered the State from the Chittagong Hill Tracts area.

Mr Chakraborty, who visited the refugee camps in south Tripura District, said in a series of public meetings, that the Chakmas, who have had suffered "atrocities" in Bangladesh, might be subjected to more attacks if they were sent back before the situation improved.

He alleged that the Bangladesh Government did not want to create a normal and peaceful condition.

/9317
CSO: 4600/1837

INDIA

ANALYST ON CONTENT OF INDO-BHUTANESE TALKS

Madras THE HINDU in English 27 May 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, May 26.

The Indo-Bhutanese bilateral talks held at the level of Foreign Ministers today reflected a shared desire for consolidation of the special relationship between the two countries consistent with their sovereign status and self-interests.

The young King of Bhutan has a good personal rapport with the Prime Minister, Mr. Rajiv Gandhi, and even the Foreign Minister, Mr. Lyonpo Dawa Tsering, is roughly of the same age group, which means that he does not suffer from any hang-overs of the past.

The Bhutanese Ambassador in Delhi, Mr. Lyonpo Tobgyel, served as Foreign Secretary before being posted to India for the second time within a decade. As an ardent advocate of closer Indo-Bhutanese cooperation, he has helped to strengthen the traditional links between the two countries in a true spirit of good neighbourliness and mutual inter-dependence.

Model relationship: The talks held today against this background in an atmosphere of complete cordiality and confidence were in refreshing contrast with the recurring irritations and conflicts of interest that continue to sour India's relations with other neighbouring countries like Nepal, Bangladesh, Sri Lanka and Pakistan. It is for this reason that the Government of India has been attaching considerable importance to the consolidation and expansion of Indo-Bhutanese cooperation, so that it could serve as a model relationship for emulation by other countries of the region.

The fact that Bhutan has been asserting its sovereignty by establishing direct diplomatic relations with many countries has not in any way hindered this process, since it has not impaired the Kingdom's special links with India both in the political and economic spheres. The old treaty between the two countries has been re-interpreted to imply that the obligation to consult India on matters of foreign policy did not neces-

sarily mean that the Kingdom could act only with this country's concurrence.

New realities: But Bhutan has been taking due care to keep India informed and ascertain its reactions before making any major moves like establishing relations with other countries or voting differently on contentious issues like Afghanistan. The Government of India too has adjusted itself to the new realities by refraining from any undue interference with the conduct of Bhutan's foreign relations.

It is not without significance that India had not only not raised any objection but also encouraged Bhutan in every possible way to seek a negotiated settlement of its border dispute with China, confining its advice only to the strategic implications of the boundary alignment in some key sectors that are of vital importance to the defence of the entire sub-continent.

After the first round of talks in Beijing in 1984, a Chinese delegation visited Thimpu last year for the first time and the talks are to be resumed in the Chinese capital next month to carry forward the dialogue from defining principles to substantive discussions.

Close parallel: The Government of India has been taking a great interest in these Indo-Bhutanese talks because of the close parallel that the Chinese continue to maintain their talks with the two countries over the territorial aspects. The Bhutanese Government also has been keeping India fully informed of the progress of these discussions precisely for the same reason in seeking its advice and assistance in determining the relevant geographical features and upholding the Kingdom's traditional rights.

At today's bilateral talks, the Minister for External Affairs, Mr. P. Shiv Shanker, spoke with great warmth about the development of Indo-Bhutanese cooperation. And the Bhutanese Foreign Minister was no less effusive in his references to their very close and cordial relations.

/9317

CSO: 4600/1831

INDIA

SPIES FROM SRI LANKA ARRESTED IN TAMIL NADU

Calcutta THE TELEGRAPH in English 11 Jun 86 p 4

[Text]

Madras, June 10: A spy ring set up by the Sri Lanka government to glean information about the activities of Tamil militant groups has been busted with the arrest of about a dozen persons here.

Mr Kandaswami, a Sri Lankan Tamil and former security officer of the Sri Lankan rural industries minister, Mr S. Thondaman, has been identified as the kingpin of the spy ring. He has confessed to his crime.

Police sources did not specify the exact number of persons arrested. Among the identified are Mr Balan, a tourist agent, and Mr Manavai Thambi, a Sri Lankan repatriate and DMK sympathiser. It is learnt that both Indian and Sri Lankan Tamils are involved in the spy ring.

The clandestine network began operating in Tamil Nadu in late 1983 with the purpose of infiltrating prominent Tamil

militant organisations and pass on information to the Sri Lankan government on the activities of the militant groups. Information relating to training, arms supply and movement to and from South India and the Jaffna peninsula had been passed on.

The other objectives of the spy ring were to spread disinformation, indulge in sabotage and political assassination by creating mistrust and infighting among the major groups. It sought to turn the people of Tamil Nadu against the militants by creating an ambience of violence.

It is learnt that investigations by the state crime branch into the bomb blast at the DMK leader, Mr Karunanidhi's meeting held on Marina Beach recently unearthed the spy ring. The Kandaswami spy ring was allegedly responsible for the bomb blast at the LTTE spokesman, Mr A.S. Balasingam's house on December 23.

Tamil militant organisations told The Telegraph that Mr Kandaswami had begun establishing contacts with them in 1983. Most of the groups had been suspicious of the person's zealous espousal of the Eelam cause because of his CID background and because he was a married man holding a good government post. He would stand to lose a great deal if he genuinely supported the Eelam struggle, they thought. While the LTTE, PLOT, Eros and EPRLF kept him at a distance, it is learnt that Mr Kandaswami succeeded in establishing rapport with the TELO group, believed to have been infiltrated by the CIA. Mr Kandaswami allegedly had contact with Mr S.C. Chandrasekaran, the Protege leader.

Most of those arrested in the spy ring have been staying in Tamil Nadu without valid travel documents, it is learnt investigations are still going on.

/9317
CSO: 4600/1838

INDIA

COMMISSION RELEASES REPORT ON PUNJAB-HARYANA DISPUTE

Cabinet Meeting, Press Release

Bombay THE TIMES OF INDIA in English 11 Jun 86 pp 1, 5

[Text]

NEW DELHI, June 10.

THE Venkataramiah commission submitted its report on the Punjab-Haryana territorial issue to the Union home minister, Mr. Buta Singh, today, after an unsuccessful attempt to get the states' chief ministers to come to a mutually acceptable solution.

Mr. Buta Singh called on Prime Minister Rajiv Gandhi, who later presided over a meeting of the political affairs committee of the Union cabinet, where the report of the commission was discussed.

Mr. Buta Singh also met several opposition leaders, including Mr. L. K. Advani (BJP) and Mr. Harkishan Singh Surjeet (CPM).

While submitting the report, Mr. Justice E. S. Venkataramiah stressed that in making the award, the commission had been guided by the "national interest". It had to perform "a delicate task" and the commission was conscious that it was "not possible to fully satisfy all concerned." In a solution like this, the commission had tried to ensure that the award "does not suffer from any infirmity or unfairness to any party."

A press release issued by the commission disclosed that the meeting held last night by its chairman with the two chief ministers, Mr. S. S. Barnala and Mr. Bansi Lal, did not result in a mutually acceptable settlement on the Hindi-speaking areas to be given to Haryana in lieu of Chandigarh.

In the light of the Haryana government's not staking a claim to any Hindi-speaking villages from Punjab in lieu of Chandigarh but asserting that

the reference itself was "brutum fulmen" (unworkable and still-born), the commission said that it had tried on its own to ascertain from the material available about some Hindi-speaking areas in Punjab.

The commission also tried to explore other avenues of settlement such as the construction of a capital for Haryana in an area of about 6,000 hectares of land, to be made available by Punjab in Rapur tehsil of Patiala, about 10 km. to the south of Chandigarh.

"It was only on May 29 that Haryana presented an additional statement of claim before the commission, claiming 438 Hindi-speaking villages and the same was taken up for consideration the very next day," the commission release said.

The press release said during the extended term — from May 31 to June 10 — the commission heard the parties on three days, and on June 7 the Haryana government requested the commission to send for the census figures of 1961 in respect of the villages claimed by it.

Explaining why no action was possible on this, the commission said June 7 was a government holiday. It was followed by a Sunday and the next day, June 9, was a closed holiday on account of Id-ul-Fitr. The commission submitted the report on the last day of its extended term today.

The commission, in addition to hearing the case, requested the chief ministers of Punjab and Haryana to meet the chairman and had "two or three such meetings".

Even during yesterday's meeting, the chairman made an attempt to arrive at a mutually acceptable settlement. However, no settlement could be made and this left the commission with no other option but to make the recommendations.

Accordingly, the report was submitted this afternoon to the home minister by the secretary of the commission.

At one stage, the commission had issued notice to the government of India also to ascertain whether it was willing to bear the cost of construction of a capital for Haryana.

The solicitor-general of India, who appeared on behalf of the government of India, submitted that it was willing to give any financial assistance considered reasonable by the commission for the construction of basic infrastructural necessities for the new capital of Haryana.

The commission in its report had dealt with the entire history of the division of commission right from the days of the Radcliffe commission. In addition to the chapter containing the award of the commission, there are seven chapters in the report, which runs into 88 pages.

In its covering letter to the home

minister, the commission chairman, Mr. Justice Venkataramiah, has conveyed his good wishes to the people of Haryana and Punjab and prayed for their wellbeing.

The commission was appointed on April 2 this year and was called upon to determine and specify "other" Hindi-speaking areas of Punjab to be transferred to Haryana in lieu of Chandigarh. The commission was appointed following the inability expressed by the Mathew commission to do so.

Chandigarh (TOINS): The army is being alerted to render immediate help to civil authorities in Haryana to prevent any possibility of violence, in the wake of the submission of its report by the Venkataramiah commission, according to reliable sources.

The Haryana government under the leadership of its new chief minister, Mr. Bansi Lal, is taking all steps to maintain peace.

Over 70 companies of the Central Reserve Police Force and Border Security Force are being deployed all over the state to help the police maintain law and order. Most of the companies have arrived and more are being airlifted from Kashmir and other areas.

The director-general of police, Mr.

M. S. Bawa, has been asked to go to Karnal, Hissar, Rohtak, Jind and other areas to inspect the arrangements and plug loopholes, if any.

PTI adds: Mr. Bansi Lal today said that his government would ensure safety of the minorities and give them full protection.

"We must always keep the national interests in mind" Mr. Bansi Lal told administrative secretaries and heads of the departments during his first meeting with them here after assuming office on June 5.

Talking to newsmen at a hurriedly summoned news conference, the chief minister urged the Centre to construct a capital of "world standard" for Haryana as early as possible.

Meanwhile, an emergency joint meeting of the Haryana Congress legislature party, members of Parliament and presidents of district Congress committees, will be held tomorrow.

The Punjab government has also directed security forces in the state to remain on "full alert" following the submission of the commission report.

The director-general of Punjab police, Mr. J. F. Ribeiro, is camping at Amritsar — one of the worst-affected districts.

Award to Haryana Detailed

Bombay THE TIMES OF INDIA in English 13 Jun 86 p 1

[Text]

NEW DELHI, June 12.

THE Venkataramiah commission has awarded 24,000 hectares, which is about one-fourth the total area of Fazilka and Abohar, to Haryana in lieu of the transfer of Chandigarh to Punjab.

The land, to be attached from Punjab, would comprise of "as many villages and towns as are necessary" to make up this territory.

The commission has not identified the territory in Punjab to be given to Haryana. Its recommendation that the Centre may appoint "another commission" to find out those Hindi-speaking villages, whose total area is 24,000 hectares, has been rejected by the government.

It hastens to add that "even now it may not be too late" for the Centre and the state governments "to settle this dispute amicably" by identifying the villages to be transferred "without insisting upon proof regarding whether they are Hindi-speaking or Punjabi-speaking."

An official spokesman, releasing the award, said that the transfer to Chandigarh to Punjab and villages to Haryana would take place simultaneously on June 21.

The commission has given two directives. The first is that the Centre shall bear the entire cost of building Haryana's new capital and also the cost of construction of government buildings required.

The venue of the new capital shall be decided with the concurrence of the centre. "If the total cost exceeds Rs. 200 crores, the government of India

may recoup the excess expenditure by sale of sites in the capital project area", it states.

The second directive is that "as long as the offices of the Haryana government continue to function in Chandigarh, it shall be the special responsibility of the Union government to ensure adequate security for them."

The commission draws attention to the governments of Punjab and Haryana "seriously" disputing the correctness of the census figures. "Punjab does not accept the 1961 census figures and Haryana does not accept the 1981 census figures."

Raising this issue in the context of the identification of Hindi-speaking villages in Punjab, Mr. Justice Venkataramiah says: "While my firm finding is that at least an area of 24,000 hectares should be transferred from Punjab to Haryana in lieu of Chandigarh, I am not now in a position to record a finding on the specific villages to be transferred. Investigation into this takes time".

He said he had consulted chief ministers of both the states on June 9

to find out whether there could be any agreement on the villages to be transferred. Since no agreement was possible, it has become inevitable to recommend the appointment of another commission to specify these areas.

He adds: "I request that I may not be asked to do this work again on personal grounds."

Political observers view the award with some concern. They argue that since Mr. Justice Venkataramiah had earlier suggested 6,000 hectares, Punjab may feel that 24,000 hectares is "too large" a territory to be given to Haryana.

On the other hand, Haryana may feel that whereas it could have got not less than 120,000 hectares going by either the award of Mrs. Indira Gandhi or the Mathew commission report, the new award is "too small."

This is where the Centre has an important role to play in balancing the two sides and effect the transfers "simultaneously" on June 21. If the schedule, is to be adhered to, the only option is to try to persuade the two chief ministers to seek and amicable settlement.

To a large extent, the Centre has been through the package rests on Punjab, which the Centre expects to come out with a statesmanlike response to resolve a crisis that weighs heavily on national unity.

The Centre expects the Punjab response to be made known tomorrow so that it could prepare the ground for pushing through legislative measures in the two state assemblies.

The Centre is optimistic that the Haryana chief minister, Mr. Bansi Lal, is well-placed to lead his legislative colleagues through this crucial period.

The two chief ministers have asked for a day or two to study the report.

The Union home minister, Mr. Bala Singh, called representatives of the opposition parties to discuss the award but they failed to evolve a unanimous approach.

The opposition leaders felt that the award could at best serve as a basis for a political solution of the problem in keeping with the spirit of the Rajiv-Longowal award.

They, however, issued a joint appeal to the chief ministers of the two states to display a spirit of accommodation in the overall national interest.

Text of Venkataramiah Postscript

Bombay THE TIMES OF INDIA in English 13 Jun 86 p 9

[Text]

NEW DELHI, June 12.

FOLLOWING is the text of the observations of Mr. Justice Venkataramiah made in his postscript to the report on the Punjab-Haryana territorial dispute:

"When we have to face a problem like the present one we have to take a very generous view, follow a policy of 'give and take' and not allow our reason to be overtaken by passion. When the whole of India belongs to all the Indians, what does it matter if there is a slight variation in the limits of a state?"

"India is no doubt an indestructible union of states but we have no indestructible states. Many states have been formed and their boundaries altered even after the constitution came into force. No boundary of a state is unalterable. It is just a matter of administrative convenience. Almost in every state, every Indian language is spoken by some. In every state, people belonging to almost all religions are residing.

"Economic well-being does not depend upon language or religion. It depends upon the capacity to work, the capacity to produce and the capacity to save and to invest. It is unfortunate when many do not know this and are victims to blandishments in the name of religion or language. Unfortunately, these are facts of life.

RELIGIOUS BASIS

"This is the fifth commission appointed to go into the question of identifying some areas which may have to be shifted from one jurisdiction to another in this part of the country. The Radcliffe commission, the Fazl Ali commission, the Shah commission and the Mathew commission have preceded this commission. All this has happened in just 40 years. It is hoped that the people of this area would be spared from the nightmare of any more commissions charged with similar functions.

"Experience shows that sovereignty over the geographical area in the sub-continent during our life-time was first

decided on the basis of religion. Thus, the two dominions were set up. Fortunately, India opted to remain a secular state. Then the reorganisation of states was done on the basis of language.

"In the case of Punjab there was a move to divide the state on the basis of script. It is really a curious phenomenon that people believe in the division of the country on the assumption that a strip of land belongs to a religion, to a language, or to a script. Sometimes people are made to believe that a religion owns a language. They are told that Sanskrit belongs to Brahmins, Hindi to Hindus, Urdu to Muslims, Punjabi to Sikhs and English to Anglo-Indians. What has not been realised is that there are others who have acquired mastery over these languages and have been responsible for their growth and that there are many who are supposed to own these languages but who are themselves ignorant of the beauty of those languages.

TRIBAL IDEA

"All these languages form part of the Indian heritage, why only Indian, the heritage of mankind. They are beautiful languages and that is why they have survived. Why not, therefore, allow people who talk and understand different languages to remain in the same state, is an argument which appeals to many. Shri Rajagopalachari once said that division of India on linguistic basis was a tribal idea.

"Even when there is a division of India strictly on linguistic basis, the question still remains whether we are going to redraw the boundaries of these linguistic states periodically as and when there is a change in the percentage of people who speak a particular language in a border tehsil or district, for there is every likelihood of such alterations taking place as you roll by.

"It may also be true, as a former chief justice of India observed, that there may be a common language which is understood throughout India, emerging within 50 or 60 years and that may conveniently take the place of the national language. What is to be emphasised is that languages should exist for the people and not people for the languages. Issues of script, language and religion can conveniently be misused to whip up problems to drive people to assume hostile postures. But the agony through which the ordinary people, unconcerned with linguistic or religious questions but only concerned with their bread and clothing, have to pass thereafter is immeasurable.

"Even here, one does not fail to notice that many individuals have two options about these issues—one private and another public. The private opinion remains suppressed owing to external pressure generated by fear of insecurity or public censure. Ultimately, the advantage of the agitations, resulting from these issues, are derived by a few only and the large majority draw a total blank. This has been the sad experience of the ordinary people.

"The time has now arrived for parliament to take a national policy decision on this vital question that no further alterations of boundaries of any state would be permitted on grounds of language or religion. The country has suffered enough. I may add that unbribed ultimatums now should give way to the love of humanity as a whole.

"It is true that historical association plays a substantial role in creating a common consciousness. But while redrawing the political map of India, the question that should be always before us is whether the guidance should come from the local or regional history or the whole of India. The history of an area, considered in isolation from the other currents of Indian history, may indicate only the past boundaries of the local area, of the past associations of its people and certain other parochial features.

"If the claims of any two or more states to certain disputed areas are examined in the light of such local factors only, we see that every such area admits of more than one irreconcilable claim based on purely regional considerations. But our national history tells us that the unity and strength of the whole country should be the primary consideration while dealing with such matters.

FAZI REPORT

"The Fazl Ali commission said in para 162 of its report thus:

"We now summarise our final views on the role of language as a factor bearing on the reorganisation of states. After a full consideration of the problem in all its aspects, we have come to the conclusion that it is neither possible nor desirable to reorganise states on the basis of the single test of either language or culture, but that a balanced approach to the whole problem is necessary in the interests of our national unity."

"A composite state, which makes adequate provision for the protection of culture and encouragement of local.... furthering programmes of

linguistic exclusiveness and in favourable conditions may lead to tolerance and adjustments, particularly when attention is diverted from barren differences of the linguistic and religious nature towards the economic development of the poor and the down-trodden.

"There is one citizenship in India. There is nothing like an exclusive habitat for an Indian inside India. The whole of India is his homeland. If any section of people living in one state is encouraged to look upon another state as its true homeland and its protector on the sole ground of language, then this would cut at the very root of the national ideal. It is my earnest request that our present-day leaders should give attention to these considerations and take a decision not to divide India any more on linguistic or religious basis.

"How, after about 40 years of our independence, we are asked to face the question which was posed by Abraham Lincoln, President of the United States of America in 1658 in the American context:

"It presents to the whole family of man the question whether a constitutional republic or democracy—a government of the people, by the same people—can or cannot maintain its territorial integrity against its own domestic foes." Lincoln said 'a house divided against itself cannot stand.'

CRUCIAL WARNING

"This is the warning which we should remember for ever. It is necessary to realise that the prosperity of a state does not depend on its size. How big is the United Kingdom? Did not one sixth of the world lie prostrate before it till some years ago? The prosperity, wealth and capacity of our people depend not on the size of the state in which they live, but on how strong India is. The state may be big but if India becomes weak, the whole country suffers. Every citizen of India suffers.

"It is, therefore, time that we put an end to mutual squabbles about boundaries of the states and began to treat that the whole of India is ours and do no longer feel irritated only because a few square kilometres of land which we imagine to be of our linguistic area is not in our state. We should feel happy that that area is in India and we have not lost it altogether. What does it matter if a piece of land in which a certain language is a dominant one is in this state or the other. This should be the attitude towards these boundary questions.

Jai Hind."

Bombay THE TIMES OF INDIA in English 13 Jun 86 p 16

[Text]

NEW DELHI, June 12.

FOLLOWING is text of the extract pertaining to the award given by the Venkataramiah Commission.

Now it is necessary for me to deal with the following questions: (i) What should be the reasonable extent of land that should be transferred from Punjab to Haryana in lieu of Chandigarh, i.e., in exchange for the rights Haryana had over Chandigarh? (ii) What is the number of villages that should be transferred? This depends on the answer to the first. (iii) What is the extent of financial assistance that Haryana should get from the government of India for building its new capital? (iv) What other directions should be issued in the circumstances of the case?

The total area of 105 villages and two towns in Fazilka and Abohar which the former Prime Minister had agreed to transfer to Haryana in lieu of Chandigarh is stated to be 359,000 acres. Even if they are taken to be 83 villages, instead of 105 villages, as stated in the Mathew Commission report the extent would be not less than 300,000 acres. The total extent of 483 villages now claimed by Haryana is stated to be about 450,000 acres.

The total extent of the 30 villages which the commission had picked out according to 1981 census was about 45,000 acres and because the commission found it inadequate it had first proposed to give acquired and developed urban land of 15,000 acres so that a capital could be built. That proposal has not been accepted by Haryana.

LAND QUESTION

Now the first question is that how many acres of land in Punjab should be allotted in favour of Haryana in lieu of Chandigarh. Under the government communique, Haryana was entitled to the areas in Fazilka and Abohar, the extent of which was more than 300,000 acres. It is said that the land in that area is much more fertile than the land near places like Patiala or Rajpura or in the vicinity of Chandigarh.

At this stage it is necessary to understand the concept of such transfer. If such a transfer had taken place Haryana would have acquired the powers under the constitution to administer that area as part of its territory by exercising powers in respect of subjects enumerated in list II and list III to the Seventh Schedule to the constitution. The power to govern involves generally the power to collect taxes, the power to acquire private property for public use, and the power to regulate human life (which are called police powers) by passing laws. If Fazilka and Abohar areas had been allotted in favour of Haryana it would have exercised these powers over them. But it would not have thereby become the owner of the rights of private people in their properties in those areas. Haryana would have become entitled to exercise these powers over about 300,000 acres of land and the people living there. It is said that the said area is capable of yielding increased taxes as it has vast scope for economic development. We have now to find out what would be the equivalent of this administrative powers.

ADMINISTRATIVE POWERS

Having regard to all the features of the case, I feel that even though it may not be possible to grant administrative powers over a territory measuring 300,000 acres, in the interests of justice Haryana should be given administrative power over villages and towns measuring in all at least 70,000 acres, which is about one-fourth of the total area of Fazilka and Abohar. That means, as many villages and towns as are necessary to make up 70,000 acres of land should be transferred from Punjab to Haryana in lieu of Chandigarh.

It may be argued that at one state I had suggested 15,000 acres of land could be a just equivalent to Chandigarh. That has no relevance because, in that scheme the government of Haryana would have no doubt got not merely administrative control over those 15,000 acres but also the right

over the land which had to be acquired and developed as an urban area and the government buildings had to be constructed by the Central government. All the land in that area would have been owned by the state of Haryana and all private rights therein would have become extinguished. Hence we cannot equate the right of a state in the property owned by it with the right to administer a village of the same size in which lands are owned by private persons. Hence we need not confuse one with the other. As observed by me, the state of Haryana should get in lieu of Chandigarh, administrative control over about 70,000 acres of land in Punjab by being transferred to Haryana. This is my answer to the first question.

VILLAGES' TRANSFER

The next question relates to the number of Hindi-speaking villages that have to be transferred to Haryana. This depends on the extent of the habitation of each village. It varies from village to village. Some may be big villages and some may be smaller ones. The total extent of all the villages should however be 70,000 acres. In order to identify them it is necessary that parties should be given an opportunity to place the necessary material. On the 7th of June, 1986 I was asked to summon the census figures of 1961 and decide upon them. Even to do that there was no time. While my firm finding is that at

least an area of 70,000 acres should be transferred from Punjab to Haryana in lieu of Chandigarh, I am not now in a position to record a finding on the specific villages that should be transferred.

Investigation into this part of the case takes time. Both the parties should be given adequate opportunity to place all the relevant material on that question. Parties seriously dispute the correctness of the census figures. Punjab does not accept the 1961 census figures and Haryana does not accept the 1981 census figures. Any way we should give an opportunity to prove their case in accordance with law. This is a time-consuming procedure. It is only to avoid this delay I had asked the chief ministers of both the states to discuss with me on June 9 to find out whether there could be any agreement on the villages to be transferred. Since no agreement was possible, it has become inevitable to recommend to the government of India "to appoint another commission" to find out those Hindi-speaking villages whose total area is about 70,000 acres which may be transferred in lieu of Chandigarh.

I request that I may not be asked to do this work again on personal grounds. I, however, add that even now it may not be too late for the government of India and the governments of Punjab and Haryana to settle this dispute amicably by identifying the

villages to be transferred "without insisting upon proof regarding the question whether they are hindi-speaking or Punjabi-speaking villages."....

CAPITAL EXPENSE

On the third question I have to observe that I have already held that assistance by the government of India to the extent of Rs. 10 crores by way of grant and Rs. 10 crores by way of loan which was fixed in 1970 has become unrealistic and wholly inadequate. In view of the submission made by the learned solicitor-general of India on the above question, I direct that the government of India bear the cost of acquisition of land and its development, for the capital city of Haryana and also the cost of construction of government buildings necessary for a capital. The question where the capital should be situated shall be decided with the concurrence of the government of India. If the total cost exceeds Rs. 200 crores, the government of India may recoup the excess expenditure by sale of sites in the capital project area.

As long as the offices of Haryana government continues to function in Chandigarh it shall be the special responsibility of the Union government, to provide and ensure adequate security for them. The Union government shall issue appropriate directions in this regard after consulting all concerned.

/9317

CSO: 4600/1840

INDIA

JOINT PANEL ON KARNATAKA-MAHARASHTRA DISPUTE PLANNED

Bombay THE TIMES OF INDIA in English 12 Jun 86 p 1

[Text]

BANGALORE, June 11.

A JOINT panel of senior officials from Karnataka and Maharashtra is to be set up to suggest measures for redressing grievances of linguistic minorities along the boundary between the two states.

A decision to this effect was announced by the chief ministers of Karnataka and Maharashtra after the two leaders discussed for two hours measures to restore peace in the troubled Belgaum district.

Mr. Ramakrishna Hegde, Karnataka chief minister, and Mr. S. B. Chavan, the Maharashtra counterpart, told a news conference here that the joint panel of senior officials — comprising two each from the two states — would be a permanent standing committee that would be required to tour the boundary areas once every six months to look into the grievances of linguistic minorities.

JOINT STATEMENT

Unanimous recommendations of the joint panel would be implemented by the two state governments, the two chief ministers said.

In a joint statement, also read out at the news conference, both Mr. Hegde and Mr. Chavan expressed concern over the acts of violence following the agitation started by the Samyukta Maharashtra Seema Samiti and ap-

pealed to the people of both the states "to maintain peace and tranquillity and help restore the traditional cordiality which has always existed between the Kannadigas and Maharashtrians.

The two chief ministers, however, did not specify whether the issue currently agitating the minds of the Seema Samiti leaders (compulsory teaching of Kannada at the primary level in schools) would also be referred to the joint panel of officials.

Both Mr. Chavan and Mr. Hegde said they were happy over the outcome of the talks.

Mr Chavan said he would meet leaders of the Seema Samiti in Bombay tomorrow. "I am not sure if Mr Sharad Pawar (Samiti general secretary) will be there. I hope to talk to Mr S.M. Joshi (Samiti chief), he said.

Obviously, Mr. Chavan hoped to convince the Samiti leaders, who are spearheading the agitation, that there was no point in creating further trouble.

Replying to questions, Mr. Chavan said his understanding was that there was no compulsion in teaching Kannada upto standard III in Karnataka.

Mr. Hegde pointed out that teaching of the local language was compulsory from standard III in most of the states. "It is not a burden to learn the regional language. It is a facility that will benefit people because most states insist knowledge of the state language for those seeking government employment," he said.

Both chief ministers said they did not specifically discuss the Mahajan Commission award.

STRESS ON NORMALCY

Asked to comment on the demand of the Karnataka chief minister that the states reorganisation act be amended to incorporate recommendations of the Mahajan Commission, Mr. Chavan said he was not aware of Mr. Hegde's letter to the prime minister to this effect.

Are you satisfied with the present states' reorganisation act?

Mr. Chavan: "We are satisfied with the present act."

Does that mean you are satisfied with the boundaries between Maharashtra and Karnataka?

Mr. Chavan: "That issue remains. But that is not relevant here. Both of us (chief ministers) are agreed that the primary task of the two states is to restore normalcy."

In fact, the meeting between Mr. Hegde and Mr. Chavan took place following a suggestion by the Union home minister, Mr. Biju Singh, that the two states should find a negotiated settlement and rule out escalation of violence.

/9317

CSO: 4600/1841

INDIA

PAPER REPORTS LETTER ON MAHARASHTRA-KARNATAKA BOUNDARY

New Delhi PATRIOT in English 14 Jun 86 p 5

[Text]

Mr Sharad Pawar, general secretary of the Samyukta Maharashtra Seema Samiti (SMSS), has urged Prime Minister Rajiv Gandhi to take immediate initiative to finally solve the long-standing Maharashtra-Karnataka border dispute, reports PTI.

In view of the almost totally opposed viewpoints of the two State governments on the recommendations of the Mahajan Commission, they were not accepted by the Centre. The Centre did make some efforts to work out certain adjustment and satisfactory solutions to the problem, but they had not been successful. Mr Pawar told the Prime Minister in a memorandum submitted on Wednesday.

Mr Pawar had also submitted a copy of this memorandum to Home Minister Buta Singh, who had told Mr Pawar that he would take it up with the two Chief Ministers.

Mr Pawar pointed out in the memorandum that the Centre had all along taken the view that if the two States could not resolve the dispute among themselves, it would step in to settle this long standing dispute.

Despite several meetings between the two Chief Ministers in the past three years, the solution to the basic border dispute is nowhere in sight. It is necessary that the dispute be resolved without any further delay, without stretching the patience of the people living in the border areas to a breaking point, the memorandum said.

Belgaum city is the crux of the dispute and protagonists of the transfer of this city to Maharashtra, have contested and won the past seven Assembly elections from Belgaum on this issue and there can be no better indicator of

the people's wishes for transfer of the city to Maharashtra. In the last elections to the Belgaum corporation also, Marathi-speaking people secured two-thirds majority which also reflects the wishes of the people democratically expressed, the memorandum added.

Giving the background of the dispute, the memorandum said, in accordance with the States Reorganisation Act, 1956, the district of Belgaum (except Chandagad Taluka), Bijapur, Dharwar and Kanara, which earlier formed part of the erstwhile State of Bombay, were transferred to Mysore State (now Karnataka), and consequently large areas of predominantly Marathi-speaking people, though contiguous to Bombay state, came to be included in the State of Mysore.

Likewise, it said, some areas having majority of the Kannada-speaking people came to be included in Maharashtra, as the two states of Bombay and Mysore had come into being without achieving the linguistic homogeneity to the maximum extent possible, the Government of Bombay invoked the provision of States Reorganisation Act and submitted a memorandum to the Government of India making proposals for adjustments of the boundary between the two States for consideration by the Western Zonal Council for solution.

The memorandum said that the Government of Bombay felt that the readjustment must be done on the basis of certain well-defined principles so as to leave no room for misunderstanding and to avoid arbitrariness in this and had accordingly suggested certain principles for redrawing the boundaries.

These principles were geographical contiguity, village as a unit, relative linguistic majority, with Konkani to be added to Marathi, and wishes of the people.

The proposals made on the basis of these principles contained not only the claim of Bombay State on the Marathi majority areas in Maharashtra to Mysore on reciprocal basis. The subject, however, was never considered by the Western Zonal Council, it pointed out.

The memorandum said when the efforts of the two State governments to resolve the dispute did not succeed, the Government of India announced the appointment of one-man commission and appointed former Chief Justice of India, Mr Meher Chand Mahajan, to make recommendations with a view to solving the dispute.

The Mahajan Commission, the memorandum said did not accept the principles suggested by Maharashtra for the purpose of redemarcation of boundary, but formulated its own principles.

The commission submitted its report to the Centre in August 1967. The report was discussed in both the Houses of the Maharashtra legislature which passed a unanimous resolution rejecting the report, it was rejected not because Maharashtra did not get what it sought, but for the reason that the commission did not properly appreciate the facts.

The memorandum said the Government of Maharashtra had insisted that the dispute should not be solved on an ad hoc basis but on the basis of uniform application of equitable and rational principles.

The commission rejected the principle of relative majority but proposed a stable linguistic majority over and above 50 per cent and ordinarily 60 per cent thus minimising the scope for achieving the object of linguistic homogeneity.

The commission was of the view that the election results are not conclusive on the point of public opinion and it rejected the results of the elections to various democratically elected bodies like gram panchayat, taluka panchayat, development boards, municipal committees, etc, as expressing the wishes of the people.

The memorandum said the commission had also ignored and failed to appreciate the views of experts regarding relationship between Marathi and Konkani.

The commission had accepted linguistic contiguity as an important principle but in fact did not appreciate the facts on that basis. The commission laid undue premium on arguments in favour of status quo.

In suggesting exchange of population the commission treated the boundaries almost as if they were international boundaries. As regards the other suggestion for a corridor to safeguard the water works of the town of Belgaum, Maharashtra felt that the idea was most repugnant and dangerous.

The memorandum said the commission report was tabled in Parliament but was never discussed and implemented. The contention of the Karnataka Government has been that its report is an "award" binding on both the parties and all that remains to be done is to implement it by suitably amending the States Reorganisation Act.

The contention is obviously not correct since the recommendations of any commission are at best only recommendations, and not decisions which have to be taken by the Union Government and later to be approved by Parliament.

This position had been made quite clear by the then Prime Minister, Mrs Indira Gandhi. It is quite open to the Union Government to accept the recommendations with or without modifications or even to reject them completely, the memorandum added.

/9317

CSO: 4600/1844

INDIA

ASSAM TIGHTENS RULES ON PERMANENT RESIDENT PAPERS

Calcutta THE TELEGRAPH in English 4 Jun 86 p 1

[Text]

Silchar, June 3: The Assam government has decided to issue permanent residential certificates (PRC) only to those non-Assamese who have been living in the state for at least 20 years. Earlier, the conditions for obtaining the certificate were either uninterrupted stay in the state for at least 10 years or the ownership of a plot of land or building.

The system was introduced by the British in 1915 for the identification of natives and was retained by the state government after Independence. The certificate is needed by the non-Assamese for an admission to state's educational institutions and for securing government jobs.

In a one-page notification modifying the PRC rules on May 21, the Assam government also laid down that PRCs would be granted to citizens of India whose parents and forefathers have resided continuous-

ly in Assam for a total of at least 50 years.

The notification has predictably triggered off a wave of misgivings and fear among the linguistic minorities in the state. The United Minorities Front (UMF) has decided to launch a campaign soon in the Bengali-speaking Barak valley districts of Cachar and Karimganj in a bid to mobilise public opinion against it.

The Cachar unit president of the UMF and a leading lawyer, Mr Dilip Kumar Deb, feels the new notification is part of the new strategy of the Assam Gana Parishad government to implement the Assam accord. He fears that the criteria governing the issuance of PRCs will also be used to screen members of the linguistic minorities on the plea of their being aliens.

Moreover, Mr Deb fears that the 50-year and 20-year conditionality clauses may be used to dilute Clauses 5(3) and 5(4) of

the Assam accord, which stipulates the detection and 10-year disfranchisement of foreigners who entered Assam between January 1 1966, and March 24, 1971.

The All-Cachar and Karimganj Students Association has issued an "ultimatum" for the withdrawal of the government circular making Assamese a compulsory subject at the secondary school level.

Speaking to newsmen, the association president, Mr Pradeep Dutta Roy, said today that the deadline for the withdrawal of the circular was fixed for June 18, failing which a massive agitation would be launched by the linguistic minorities in the Cachar and Karimganj valley.

He further said taking the cue from the All-Assam Students Union's movement on alien issue, the two MLA's and a minister from the valley would be asked to resign or face social boycott.

/9317

CSO: 4600/1832

INDIA

NEW CONGRESS-I MINISTERS SWORN IN IN KERALA

Bombay THE TIMES OF INDIA in English 6 Jun 86 p 9

[Text]

TRIVANDRUM, June 5.

TWO Congress ministers were sworn in today, raising the strength of Kerala's United Democratic Front ministry to 17.

The governor, Mr. P. Ramachandran, administered the oaths of office and secrecy to Mr. Thachady Prabhakaran, one of the vice-presidents of the pradesh Congress committee, and Mr. Ramesh Chennithala, president of the state Youth Congress, at a simple function at the Raj Bhavan.

They have been appointed in place of Mr. Vayalar Ravi, who resigned on May 16 after he was stripped of the home portfolio, and Mr. P. Gangadharan, who stepped down as irrigation minister in March following his involvement in a case of alleged violation of the Child Marriage Act.

Both Mr. Prabhakaran and Mr. Chennithala belong to Alleppey district.

Mr. Prabhakaran (49), who is president of the State co-operative Bank, will be in charge of finance, which was taken away from the Kerala Congress stalwart, Mr. K. M. Mani, during the recent reshuffle and was being looked

after temporarily by the chief minister, Mr. K. Karunakaran.

Mr. Prabhakaran, who was elected to the assembly for the second time in 1982 from Kayamkulam, a stronghold of the undivided Communist Party, belonged to the erstwhile A. K. Antony group. He had played a key role in bringing about its merger in the Congress. He came into politics as a student leader.

Mr. Chennithala, who is 39, was president of the National Students' Union. A few weeks ago he was appointed president of the state youth Congress in place of Mr. G. Karthikeyan, who stepped down in the wake of a controversy over his continuance in the post after crossing the age limit.

Two cabinet berths, including one vacated by the Socialist Republican Party leader, Mr. N. Srinivasan, former excise minister, on May 30, are still vacant. An SRP faction opposed to him has staked its claim to the berth.

Efforts are continuing to persuade the rival national Democratic Party factions to suggest a common nominee for inclusion in the cabinet.

/9317

CSO: 4600/1833

INDIA

PAPER GIVES DETAILS OF HARYANA CABINET CHANGES

Bombay THE TIMES OF INDIA in English 7 Jun 86 p 16

[Text]

CHANDIGARH, June 6 (UNI): The Haryana chief minister, Mr. Bansi Lal, retained 18 portfolios, including general administration, home, administration of justice, medical, education and public relations, while allocating portfolios in his cabinet today.

The other portfolios which the chief minister has retained are: town and country planning and urban estates, colonisation, housing, animal husbandry, dairy development, fisheries, public health, development and panchayats, civil aviation, tourism, sports, technical education and labour and employment.

Mr. Shamsher Singh Surjewala, who continues to be number two in the cabinet, has been allocated his old portfolio of irrigation and power and three other departments — elections, parliamentary affairs and legislative.

Col. Ram Singh will retain his old portfolio of transport besides looking after wakf.

Mrs. Parsani Devi, who was public health minister in the Bhajan Lal ministry, will now look after the agriculture and wild life preservation departments.

FINANCE MINISTER

Mr. Katar Singh will be the new finance minister. He has also been

allocated institutional finance and credit control, planning, environment and science and technology.

Mrs. Sharda Rani will be the new education minister and will also look after languages, archaeology (including archives) and cultural affairs.

Mr. Phool Chand Mullana has been entrusted with the department of public works (buildings and roads), architecture, social welfare, welfare of scheduled castes and backward classes.

Mr. Siri Kishan Dass, who has become minister for the first time, will hold charge of excise and taxation, industries, industrial training and vocational education.

Mr. Goverdhan Dass Chauhan will look after the health department (including ayurveda).

Among the ministers of state, Mr. Piara Singh retains his old portfolio of cooperation. He will hold independent charge of his department.

Mr. Nirmal Singh will hold independent charge of revenue, rehabilitation, forests and consolidation.

Mr. Inderjit Singh, son of the former Union minister, Mr. Rao Pendera Singh, will hold independent charge of goods and supplies and printing and stationery.

Mr. A. C. Chaudhary will hold independent charge of local government and jails.

/9317

CSO: 4600/1835

INDIA

LOCALS DEMONSTRATE AGAINST ORISSA MISSILE RANGE

Calcutta THE TELEGRAPH in English 8 Jun 86 p 4

[Text]

Balasore, June 7: District authorities here have received no formal communication from the Centre about the extent of the area to be acquired and number of people to be displaced by the national missile test range project at Baliapal, according to the district collector, Mr Ishwar Chandra Das.

The local people are, however, continuing their movement against the proposed test range. On Thursday, over 15,000 people demonstrated near the district collectorate here protesting against the Centre's decision to go ahead with the project disregarding popular feelings.

The demonstrators, including a large number of women, had walked 40 to 65 km to reach Balasore from Baliapal. Most of them had started their journey on foot on Tuesday night. Several came in buses, trains and bicycles. The demonstrators carried placards with the slogan "We shall die rather than leave our birthplace."

The Janata Party leader, Mr Biju Patnaik, who addressed the demonstrators, said he would write to the Speaker of the Orissa Assembly and the chief minister, Mr J.B. Patnaik, demanding a special session of the Assembly to discuss the Baliapal issue. He said the movement spearheaded by his party against the project would continue till it was dropped.

The Balasore district collector told newsmen he had "heard about the reduction of the project area" but was yet to receive any letter to that effect. He said he had heard that "42 or 43 villages" would be acquired against 99 originally planned. Similarly, 6,100 families would be displaced against 11,600 as proposed earlier, he added.

In the absence of a clear outline of the project area, Mr Das said, "we are yet to work out the extent of agricultural land and encroached land to be acquired." He said as agricultural land was not easily available, farmers to be displaced by the project would only be given about 600 acres of land for building houses in resettlement colonies. He agreed that "Baliapal farmers would cease to be farmers" after they were displaced from their homeland.

Although the Union government's communication had not reached the district authorities, the latter have started issuing notifications under Section 4 (1) of the Land Acquisition Act to the people. Mr Das said such notifications had so far been issued in eight villages only.

He said efforts would be made to settle the displaced persons "as close to their homes as possible." Over 100 acres would be earmarked for industries to enable the displaced persons to earn their livelihood.

/9317
CSO: 4600/1836

EFFORTS TOWARD INDIGENOUS LIGHT COMBAT PLANE TOLD

New Delhi PATRIOT in English 13 Jun 86 p 5

[Text]

Bangalore, June 12 (PTI) — A variety of research projects relating to the prestigious light combat aircraft (LCA), a prototype of which is expected to fly by 1991-92, including aerodynamic testing of some of its proposed configurations, have been initiated at the National Aeronautical Laboratory (NAL) here.

NAL, which played a leading role in LCA project proposal formulation in 1978, would contribute substantially in LCA development in the areas of aerodynamics, structural analysis, advanced materials, fatigue life evaluation and flight control system, according to NAL director Prof Roddam Narsimha.

Prof Narasimha told newsmen recently that a few aerodynamic models of the futuristic aircraft had been tested in the 1.2 m Trisonic wind tunnel at NAL's national Trisonic Aerodynamic Facility.

Prof Narsimha said the LCA development, expected to cost between Rs 500 and Rs 1000 crore, was very significant for the growth of the country's aircraft industry.

Although Indian aircraft industry started with an indigenous design of trainer aircraft in late 50s, no major aircraft development project was taken up for the next two decades, causing worry and frustration among the scientific community.

Studies had shown that the main criterion of design and development of an advanced fighter aircraft were requirement, affordability and capability

to manufacture, Prof Narsimha said. The LCA will be in the weight range of below ten tonnes.

The Aeronautical Development Agency (ADA), which is managing the LCA project, has sponsored projects worth Rs 21 crore at NAL and is setting up new infrastructural facilities.

An advanced aircraft project office (AAPO) has also been set up at NAL to act as a link between ADA and various NAL divisions.

Fibre glass aircraft: The country's first fibre glass research aircraft called "light canard research aircraft" (LCRA), being fabricated at the NAL is expected to fly by the year end.

The two-seater LCRA, weighing about 6000 kg designed by the Rutan Aircraft Factory INC, will establish capabilities for fabrication of experimental aircraft using rigid-foam-fibre reinforced plastic (FRP) composite material.

Dr R B Damania of systems engineering division, where the aircraft is being fabricated told reporters recently that the project was aimed at studying aerodynamic characteristics of canard configuration aircraft, which was relatively new to the country.

The aircraft, whose speed limits between 180 kmph and 350 kmph, will act as a platform for testing new concepts in the field of flight control and flight control instrumentation. It will also help generate design data on canard configuration, which is increasingly becoming popular world wide in civil and military aviation sectors.

/9317

CSO: 4600/1842

INDIA

BRIEFS

INDO-SOVIET AGREEMENT--The association of Indian Engineering Industry (AIEI) has signed a five-year umbrella agreement on science and technology cooperation with the Soviet Union, reports UNI. The agreement was signed between the special industrial team of AIEI which recently visited the Soviet Union and the USSR State Committee for Science and Technology (GKNT). The agreement allows not only transfer of technology but also the opening up of opportunities for joint ventures research and development projects. It also provides for exchange of specialists and scientific and technical information and promotion of joint scientific and technical research work at the unit level. For aquisition of production techniques, technology processes licenses for equipment and know how, necessary agreements were being made between AIEI and Soviet trade organisations. [Text] [New Delhi PATRIOT in English 19 Jun 86 p 9] /9274

BENGAL MINISTER DIES--Calcutta, 15 Jun (PTI)--West Bengal Minister for Higher Education Sambhu Ghosh, a member of the All India Forward Bloc secretariat, died here this morning at a city nursing home. He was 59. He is survived by his wife and a son. Mr Ghosh had been suffering from throat cancer since 1982 when he was sent for treatment to the Soviet Union, Great Britain and USA. The second operations was conducted at Boston on 15 May. Mr Ghosh was admitted to the nursing home on 13 June. [Text] [New Delhi PATRIOT in English 16 Jun 86 p 1] /9274

ARUN NEHRU'S HEALTH--Srinagar, 14 Jun (PTI)--Union Minister of State for Internal Security Arun Nehru who was convalescing at the Sher-e-Kashmir Institute of Medical Science here was today discharged. Mr J. M. Qureshi, advisor to the Governor, headed a large group of senior officials who received Mr Nehru at the time of being discharged from the institute. He was looking cheerful. According to Director of Medical Institute A. K. Nagpal, all the parameters of Mr Arun Nehru were working normally. However, he has been advised [to] rest for a few more days. [Text] [New Delhi PATRIOT in English 15 Jun 86 p 6] /9274

SOUTH AFRICA CONDEMNED--India has strongly condemned South Africa's continuous acts of aggression against Angola and called upon the international community to take "effective action" to stop the outrageous actions. In a sharp reaction to South African naval attacks on Angola and the sinking of an Angolan ship and damage to oil and harbour installations on Thursday, the official spokesman of the External Affairs Ministry said there was "no alternative but

to apply comprehensive, mandatory sanctions against the Pretoria regime." Expressing 'shock' at the South African action, the spokesman said the latest act of aggression by South Africa against a peaceful, independent non-aligned country "shows that the racist regime will stop at nothing to destabilise by all possible means neighbourly, sovereign African states." [Text] [New Delhi PATRIOT in English 7 Jun 86 p 1] /9274

RECORD WHEAT PROCUREMENT—Wheat procurement totalled 9.9 million tonnes till Thursday setting up a new record as against 9.7 million tonnes in the corresponding period last year, reports PTI. The total procurement of wheat in the 1985-86 marketing season which ended last 31 March, had amounted to an all time record of 10.34 million tonnes as compared to 9.30 million tonnes in the previous year, according to latest official figures. This is expected to be surpassed this marketing year. During the current marketing season, Punjab maintained its lead over other States by procuring a little over six million tonnes. Uttar Pradesh came second with over two million tonnes, and Haryana third with little less than two million tonnes. All the three States had improved their procurement during 1985-86 as compared to the previous year. Despite a serious drought during the year, Rajasthan also contributed to the Central pool a little over 37,000 tonnes, though it is substantially lower than 2,17,000 tonnes last year. These procurement had been made at the minimum support price of Rs 157 per quintal as against Rs 152 per quintal in the previous marketing season. With this, the total accumulated stock of foodgrains including wheat and rice held by the FCI and other government agencies is now mounting up to an all time high of nearly 30 million tonnes. [Text] [New Delhi PATRIOT in English 7 Jun 86 p 5] /9274

ANTARCTIC WIND GENERATOR—Hyderabad, 5 Jun (PTI)--The feasibility of establishing a wind generating station on Antarctica, during the coming sixth Indian expedition to the icy continent, is being studied by the Bharat Heavy Electricals Limited (BHEL) corporate research and development (R and D) here. Mr K. C. Ramakrishnan of BHEL's R and D wing, who was a member of the fifth expedition that returned in March last, had collected useful information relating to the setting up of the wind generator. The engineers of BHEL have already designed a wind turbine generator system, that is currently being tested for vibration analysis, structural rigidity and mechanical stability. [Text] [New Delhi PATRIOT in English 6 Jun 86 p 5] /9274

KAUL CABINET RANK—New Delhi, 11 Jun (PTI)--Mr T. N. Kaul, who has been appointed Indian ambassador to USSR in succession to Mr Nurul Hasan, will have full cabinet rank while is is ambassador there. The rank will be personal to him, it was officially stated here today. [Text] [Bombay THE TIMES OF INDIA in English 12 Jun 86 p 9]

INDO-SOVIET SHIPPING TALKS—New Delhi, 4 Jun--Possibilities of increasing the shipping trade between Indian and the USSR were discussed at the eighth session of the Indo-Soviet joint committee on shipping in Moscow last week. The Indian delegation to the committee meeting was led by Mr P. P. Nayyar, secretary department of surface transport and the Soviet delegation by its deputy minister, Mr V. N. Nikoloi Chek. The meeting considered the report to the joint working group set up by the committee on containerisation in bilateral

trade and also exchanged views on increased participation in the carriage of liquid and bulk cargo. The committee also considered measures for increased cooperation in the field, of chartering and discussed settlement of problems relating to income tax. The eighth session of the Indo-Soviet joint committee on shipping was held at a time when the Indo-Soviet shipping agreement had completed 30 years of its working and when the Soviet 11th plan had been just finalised. The next meeting of the joint committee will be held in India in 1987. [Text] [Calcutta THE TELEGRAPH in English 5 Jun 86 p 9] /9274

CSO: 4600/1854

IRAN

PERIODICAL DISCUSSES FRANCE'S DESIRE TO 'NORMALIZE RELATIONS'

Beirut MEMO in English 26 May 86 p 14

[Article by Randa Takieddine]

[Text]

In his first press conference since taking power in March, Prime Minister Jacques Chirac took the opportunity to explain that "it is natural that France may want to normalise relations with Iran, whatever the French think of the Iranian regime."

"Iran is an old and great civilisation and France wishes to normalise relations with it. But this does not mean that France's foreign policy will change, he added." Jacques Chirac stressed that Iraq would remain France's friend and ally.

He pointed out that various problems remained between France and Iran, among them a financial one. "France," he said, "has a debt towards Iran, Iran wants the settlement of this debt. But Iran also has a debt towards France since many Iranian contracts with French firms were interrupted without any compensation when relations deteriorated between the two countries".

Chirac said if the process of normalisation between both countries were to start, France was ready to participate in a meeting of experts from both countries to reach an acceptable solution to the financial problem.

The Iranian vice-prime minister, Ali Reza Moayeri, had specified in a press conference that Iran had set three main conditions for the normalisation of relations between both countries:

1— The withdrawal of French support to Iraq in its war against Iran. Such withdrawal of support would include stopping arms sales to Iraq.

2— The extradition of Iranian political refugees in France, such as former president Bani Sadr or the leader of the Mujahedeen Massud Rajavi or former prime minister Shapour Bakhtiar.

3— The settlement of France's \$1 billion debt to Iran. The loan was made in 1978 by the Shah of Iran to the French government. It went to Eurodif, the European company for the enrichment of uranium in which Iran is a share-holder.

Asked whether the Iranians were willing to help in gaining the release of the French hostages held by the pro-Iranian Hizballah in Lebanon, Moayeri said Iran had nothing to do with terrorist acts and condemned kidnappings.

However, Jacques Chirac addressed the French hostages issue

during his press conference by saying: "I attracted our Iranian visitor's attention to the need for a great country like Iran to cast off any doubt or suspicions of any connection with terrorist acts undertaken by terrorist groups detaining the hostages in Lebanon."

On the Iranian political refugees in France, the French prime minister stressed that it was out of the question that France would extradite them. However, he said those among them who had not respected the neutrality rules imposed on political refugees in France would have to be reminded of this, and their acts or deeds would be limited.

The Iranian visit to France indicates the Chirac government's desire to solve the hostage problem. The French government knows that the pro-Iranian group in Lebanon is detaining them and Iran's pressure on this group is definitely the key.

Nevertheless, it would be a mistake to think that Chirac's government will shift its foreign policy and withdraw support from Iraq. During his press conference, Chirac reiterated the view that Iraq was considered an ally of France.

IRAN

FOREIGN EXCHANGE INCREASE BY MINERAL EXPORTS DETAILED

Tehran KEYHAN in Persian 11 Jun 86 p 19

[Text] Economic Service—Engineer Ayatollahi, Minister of Mines and Industries, gave a press conference in which he discussed the economic power of mines to increase the government's foreign exchange income, this ministry's new plans and future programs in the area of exploration and equipping mines, the creation of factories to convert ores to raw materials, and the level of ore exports.

Engineer Ayatollahi began by discussing the role of the mines in the country's economy and planning to increase this role. He said: Although the activities of the important mining sector have always needed long-term planning, we are still faced with the problem of lack of planning, and basic steps must be taken in this area.

The extraction of mined raw materials was restricted under the former regime to several limited areas such as lead, zinc, and chromite, and unfortunately this extraction was done solely for export. There was no industry for the conversion of raw materials and their molten metals. We had only very small amounts of activity in the area of copper foundries, and activities in the production of iron and steel were limited to Esfahan.

After the revolution, the government's overall policy in the area of mines and the related industries, despite existing economic difficulties, was one of increasing the ability to extract and to create the necessary foundries such as the Sar Cheshmeh Copper Complex, the production of steel, and the expansion and initiation of some other units.

He added: Current projects for the Ministry of Mines and Metals include the Mobarakeh Steel Complex, the Ahvaz Steel Complex, the project to complete the Esfahan foundry, the Iran National Steel Group, and recently the steel alloys project. Current Ministry of Mines and Metals plans in the area of non-ferrous metals include the project to complete the Sar Cheshmeh Copper Complex for casting and cable and the lead and zinc foundries project.

Engineer Ayatollahi said: An important point is that in spite of these problems, in addition to the necessity for investment and planning, it is necessary that we increase the culture for productive activities in the mining sector in society and make the people aware of the potential mining resources. We must make investment preparations in the mining sector in order to enter the world export market, and this is something that did not exist in the past.

The above plan is being carried out in the Office of Planning and Programs of the Ministry of Mines and Metals. It is being made known to the public gradually, and the private sector will be invited to cooperate in the course of the project.

Mines and Foreign Exchange Income

Concerning the export capability of mines and increasing government foreign exchange income, Engineer Ayatollahi said: Activities in the area of the export of ores are mostly confined to the export of raw materials, especially high-priced metals.

In 1364 [21 Mar 1985 - 20 Mar 1986] our volume of exported ores was around 297,000 tons with a value of 75 million dollars, a 47 percent increase over 1363 [21 Mar 1984 - 20 Mar 1985] by weight and a 68 percent increase in value.

For the year 1365 [21 Mar 1986 - 20 Mar 1987], in view of the decrease in the government's foreign exchange income, we cannot expect an increase of several times over, because some export items need planning. In any case, however, we have made a plan on the basis of which 878,000 tons of various ores valued at 130 million dollars are to be exported, which is three times greater than the figure for 1364.

Of course in 1365 the greatest efforts have been made in the area of masonry stone and tile.

The Minister of Mines and Metals then discussed the future plans of his ministry. He said: Future plans revolve around two points.

1 - The establishment of special facilities for the export of ores and the issuance of general agreements in principle for the export of most non-metallic mined materials.

2 - Obtaining appropriate added value in mining products projects. This project will be used to convert raw and industrial materials for which there is both domestic need and good customers on the world market.

Engineer Ayatollahi was asked how metal and non-metallic mined materials could take the place of oil exports in the country's economy. He answered: Mines can fill part of the gap left by oil, but on the condition that the mining sector be given the same kind of attention that has been to oil over the past fifty years.

Concerning the ministry's new projects, he said: A new phosphate project is being prepared, and if it produces results we will have no need to import 300 million dollars in phosphate fertilizer annually. Of course phosphate mines must be built.

Concerning the manner of participation of the various economic sectors in activating the country's mines, he said: Within the limits of the Mines Law, there is much room for activity by the private, cooperative, government, banking, and other sectors in the matters of exploration and mine use.

We have a plan under which each of the above sectors can participate in the exploration, equipping, and use of small mines, as well as some large mines.

The Minister of Mines and Metals discussed the number of agreements in principle issued by this ministry. He said: In 1364 [21 Mar 1985 - 20 Mar 1986] we had 37 agreements in principle with 23.5 billion rials in capital. Five of these led to the issuance of permanent agreements, and the amount foreign exchange saved by the units is 48 billion dollars.

IRAN

OFFICIAL DETAILS EMPLOYMENT FIGURES, PLANT PRODUCTIONS

Tehran KEYHAN in Persian 11 Jun 86 p 18

[Text] Economic Service—Yesterday morning a deputy from the Plan and Budget Ministry and the Chief of the Iran Statistics Center gave a press conference in which they discussed the results of the Major Factories Statistics Project of 1364 [21 Mar 1985 – 20 Mar 1986].

KEYHAN's economic correspondent reports that Dr Majid Jamshidi began by saying: The Major Factories Statistics Project, which includes all factories with ten or more employees, is considered one of the Iran Statistic Center's most important projects in terms of its applicability.

This project, which has been conducted regularly since 1351 [21 Mar 1972 – 20 Mar 1973], more or less reflects the country's industrial situation. Perhaps 85 to 90 percent of the industrial sector's added value is produced by these factories.

In approaching these factories in 1364 [21 Mar 1985 – 20 Mar 1986], the relevant information to the end of the year 1363 [21 Mar 1984 – 20 Mar 1985] was collected, and therefore the economic situation for the factories for 1363 is studied.

The Chief of the Iran Statistics Center continued: The number of factories studied is 7,500. This shows that 97 percent of the factories operating in 1362 [21 Mar 1983 – 20 Mar 1984] continued to operate in 1363, and despite the reduction in the number of active factories (three percent) the manpower employed in the industrial sector increased about five percent over the previous year.

Of all factories operating in 1363 [21 Mar 1984 – 20 Mar 1985], 86 percent were operated by the private sector and 14 percent were operated by the public sector. There were 593,000 people employed in these factories, an increase of five percent over 1362 and a ten percent increase over 1361 [21 Mar 1982 – 20 Mar 1983].

The leading industries were the textile, clothing, and leather industries, employing 145,000 persons, or 24.5 percent of the total work force in the major factories.

Ranked next were the machinery, equipment, tool, and metal products industries, employing 141,000 persons (23.8 percent of all employees). The non-metallic mineral products industries, excepting petroleum and coal products, with 97,000 employees (16.4 percent of all employees) ranked third.

Dr Jamshidi added: The number of women employed in the industrial sector was 37,000, or 6.2 percent of all employees. Most of them are in a group of more than 10,700 persons employed in the textile, clothing, and leather industries.

Added Value for the Country's Major Factories

Continuing his remarks, the Chief of the Iran Statistics Center said that the added value for the country's major factories at current prices was more than 1,020 billion rials (102 billion tomans) in 1363 [21 Mar 1984 - 20 Mar 1985], and that the share of each factory in the added value averaged 154 million rials.

He also said: A comparison of the added values for the years 1361, 1362, and 1363, without adjusting for inflation, shows that the increase in added value for 1363 [21 Mar 1984 - 20 Mar 1985] over 1362 [21 Mar 1983 - 20 Mar 1984] was 11 percent and 32 percent over the year 1361 [21 Mar 1982 - 20 Mar 1983].

The machinery, equipment, tool, and metal products industries, with 281 billion rials, were ranked first in terms of added value produced. The textile, clothing, and leather industries, with 220 billion rials, the non-metallic mineral products industries, with 139.5 billion rials, and the food, beverage, and tobacco products industries, with 131 billion rials, were next in rank respectively.

The distribution of added value by province was 446 billion rials (43.7 percent of all added value) for first-ranked Tehran, 120 billion rials for second-ranked Esfahan, and 82 billion rials for third-ranked Zanzan Province.

Amount of New Investment

Our correspondent adds that in another portion of his comments Dr Jamshidi discussed the level of new investments in the country's major industrial factories. He said: There were about 107 billion rials in new investments at current prices, and this is 33 percent and five percent more respectively than the investment for the years 1361 [21 Mar 1982 - 20 Mar 1983] and 1362 [21 Mar 1983 - 20 Mar 1984].

Per unit investment was greatest in the metals industries, at 61 billion rials, followed by the machinery and equipment industries with 30.5 billion rials and the chemical industries with 26 billion rials.

A comparison of per-unit investments by province shows the Province of Zanzan leading with 38 million rials, followed by East Azarbaijan with 35.5 million, and Khuzestan with 31 million rials.

Levels of Salaries, Wages, and Profitability of Labor

Concerning the level of salaries and wages paid to employees of industrial factories, the total was 561 billion rials, of which 471 billion rials (84 percent of all wages and salaries) went to laborers and the remaining 90 billion rials went to staff.

A comparison of per-person wages and salaries without adjusting for the effects of inflation shows an eight percent increase over 1362 and a 22 percent increase over 1361.

The level of profitability of labor, or the amount of added value per paid employee, was about 1,720,000 rials in 1363, a six percent increase over the year 1362, and a 20 percent increase over 1361. A study of the Labor profitability of the major industrial factories in various fields shows that the greatest level of labor profitability was in the chemical industries at 2,364,000 rials, followed by the paper and cardboard industries at two million rials and the machinery and equipment industries at 1,995,000 rials.

The lowest level of labor profitability was in the wood and wood products industries, at 1,074,000 rials.

By province, the highest level of labor profitability was in the Central Province at 2,226,00 rials, followed by Zanjan at 1,922,00 rials, and Tehran Province at 1,893,000 rials. The lowest level of labor profitability was in Ilam Province, at 790,00 rials.

Level of Industrial Dependence on Foreign Materials

In another portion of his talk the Chief of the Iran Statistics Center discussed the percent value (in rials) of foreign raw materials consumed, which was 54 percent of the total value of materials consumed by the major industrial factories. He added: This represents a 0.4 percent decrease from the year 1362 [21 Mar 1983 - 20 Mar 1984].

This figure for the machinery, equipment, tool, and metal products industries was 73.4 percent 73 percent for the chemical industries, and 63.5 percent for the basic metals producing industries.

In 1363 the country's industrial factories used 344 billion rials in foreign exchange for investment and expenses. This is a 35 percent increase over 1362 and a 46 percent increase over 1361. Unfortunately, however, the amount of foreign exchange allocated for investment has decreased in favor of that allocated for expenses. Thus of 344 billion rials of foreign exchange consumed, about 14 billion (4.1 percent) was used for investment and the remaining 330 billion rials (96 percent) was used to buy raw materials, while in 1362 [21 Mar 1983 - 20 Mar 1984] 10.5 percent of the total 255 billion rials in foreign exchange consumed was used for investment.

Grouped according to activity, the machinery, equipment, tool, and metal products industries used 54 percent of the foreign exchange allocated for the major factories, the chemical industries used 16 percent, and the basic metals producing industries used 10 percent.

Changes in Production for Major Industrial Factories

In the concluding portion of the interview Dr Jamshidi discussed the changes in production for the country's major industrial factories since the year 1362. He said: A comparison of the level of production for these factories shows that there were increases over the year 1362, as follows: Vegetable oil 11 percent, sugar cubes and sugar one percent, cloth 13 percent, paper and cardboard eight percent, cleaning powders and liquids five percent, refrigerators and freezers six percent, water coolers 34 percent, tires and tubes 37 percent, passenger cars eight percent, cement 13 percent, iron sheets and beams 13 percent, and 12 percent for color televisions and washing machines. Products showing decreased production since 1362 were butter at three percent, soap, 12 percent, napkins, two percent, gas stoves of various types, three percent, and caviar at 31 percent.

It is necessary to note that the results of the statistics taken on the major industrial factories for 1364 [21 Mar 1985 - 20 Mar 1986] are included in four detailed reports, as follows:

- 1 - Statistics on the Country's Major Industrial Factories.
- 2 - Statistics on the Country's Major Industrial Factories Under Public Management.
- 3 - Statistics on the Country's Major Industrial Factories at Fixed and Current Prices.
- 4 - Statistics on the Country's Major Industrial Factories According to Types of Goods, Consumer, Intermediate, and Capital.

It is to be noted that the statistics and information included in the fourth publication are published for the first time.

9310
CSO: 4640/378

IRAN

RETURN TO SHAH'S ECONOMIC POLICY CONSIDERED ONLY ALTERNATIVE

London KEYHAN in Persian 5 Jun 86 p 2

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] A witty person has said that our revolution rotates 360 degrees. The Islamic revolution of Iran, at least as far as it is described in the interview of Behzad Nabavi, minister of heavy industries, is not excluded from this rule. The minister of heavy industries, through maneuvering, cautiousness, and a consideration of all sides of the ideology of the revolution, stated: "In order to restart the stagnant industries of Iran, under present conditions, there is no practical alternative except to return to the shah's economic policy. This means that we have to start first with assembly industries and gradually become self-sufficient."

This is not the first time that Behzad Nabavi has made interesting speeches about the present troubled economic and industrial situation and the ways to overcome it. If this talk came from the mouth of a non-ideological technocrat it would not be surprising, but coming from the tongue of a minister, who along with the organized cabinet is a orthodox believer and follower of the imam, it is amazing.

During the very first weeks of the revolution and reaching the power of the ayatollah, he said: "We have not made revolution for bread and melons, we made revolution for Islam. We have not made revolution for economics, economics for a human being is like alfalfa for a donkey." As the taste of alfalfa has not changed since that day, it must be stated that the taste of the Islamic rulers has since they are giving priority to the economy.

At the threshold of the last election of the Islamic Majlis, it seems that Ayatollah Khomeyni has forgotten his previous words. He has recommended that political and economic experts find their way to the Majlis in order to seek the correct remedy for the problems facing the country.

Certainly no voice has yet been heard in the Majlis to indicate the correct remedy; on the contrary it has been heard from inside the government. The self-serving cabinets for 7 full years, one after another, like work horses, were rotating around a backward ideology which did not have any worthwhile prescription for curing the nation's ailments. They finally reached the conclusion that the government must return to the Shah's economic policy.

What happened to the Islamic economics of Mr Abol Hassan Bani-Sadr, the economic policy of Mohammad Baqer Sadr, and the other Islamic economic prescriptions which were destined to reach the decisive Islamic solution that today there is no remedy except a return to the shah's economic policy? Isn't it Mr Khomeyni's opinion that the Pahlavis, during the course of 50 years, devastated the cities of Iran and filled its cemeteries? According to their customary rule, why don't they punch this impudent minister, who in an undutiful interview, wants to do the same thing to the country that the Pahlavis did? What is the meaning of today's turnabout if the economic policy of that era caused the asserters of public policy development not to see anything but desolation everywhere? Those who wanted to spread Islam with all its dimensions must continuously search in vain in their books of religious jurisprudence and narration to find an Islamic solution for the difficulties.

But it seems that Behzad Nabavi has never bothered himself in this regard since he knows very well that neither Islam nor any other religion can find a solution for the complex problems of society and the 20th century.

Ayatollah Khomeyni has driven religion from the realm of morality to the sphere of politics, economics, and sociology. As a result, he caused a serious interruption of religion, and caused a greater interruption of politics and economics. Undoubtedly, there are those who are using all their efforts to save the religion from the difficult circumstances caused by the Islamic regime. What kind of prescription will they suggest? We do not know. On the other hand, there are those, who due to their responsibilities are thinking of saving the nation's bankrupted economy. In the end they find no other alternative except a return to the shah's economic policy. But the question is whether this government is strong enough to break the chains of this school of thought or at least make it so weak in order that they might take steps in this direction.

9815/9835

CSO: 4640/339

IRAN

IRGC CHIEF: WILL RETRIEVE TERRITORIES FROM ADJACENT STATES

London KEYHAN in Persian 5 Jun 86 p 1

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Mohsen Reza'i, commander of the Revolutionary Guards Corps, at the Tehran University Friday prayer talked about the new plans and projects of the Islamic Republic for war with Iraq and claimed that the Islamic government intends to increase Iran's forces on the battlefield to 8 million in a short time.

Mohsen Reza'i added: "Many of the nation's productive industries will be allocated to producing as many arms as they can, including some for export to Libya, Syria, and Africa."

In this speech, Mohsen Reza'i recalled the great Iran and said: "Up to a hundred years ago, Afghanistan, Pakistan, Iraq, and parts of the Soviet Union belonged to Iran, but due to military weakness, they became separated from the body of Iran. We intend to retrieve these territories from the adjacent states."

Mohsen Reza'i, commander of the Revolutionary Guard Corps, announced on Friday new projects for supporting the war effort. Mohsen Reza'i talked about the humane war that all of the people in the country are participating in, but in his talk, he did not refer to the army or military activities at all. This was received as a sign of the aggravation of the dispute between the army and the Revolutionary Guards. The dispute between Sayyad-e Shirazi and Mohsen Reza'i is about the strategy for attacking Iraq. Mohsen Reza'i believes that victory in the war with Iraq is possible by the use of human waves. Sayyad-e Shirazi and the military authorities believe that in such attacks thousands of mobilized youngsters will be killed.

The speech by Mohsen Reza'i in Tehran indicates that the Islamic Republic intends to resort again to the method of human waves in the war with Iraq. Mohsen Reza'i, talking about the new project of the Revolutionary Guards for the war with Iraq said: "The current year is the year of destiny. There is a new stage and destiny in front of us and the Islamic Republic intends to design and implement important plans for this war."

According to Mohsen Reza'i, up to now, two percent of the human forces and 12 percent of the economic power of Iran have participated in the war with Iraq. In order to gain victory, we have to use all our human and economic resources. Mohsen Reza'i did not make clear which group of people the two percent of human forces applies to since according to the regime, up to now, nearly two million Iranians have worked in some way or the other at or behind the war fronts.

Mohsen Reza'i indicated: "According to the Revolutionary Corps' project, all the industries must manufacture ammunition and military tools and all the industries must be mobilized to provide the war needs."

In regard to repeating the method of human waves in the war, Mohsen Reza'i said: "The Islamic Republic has shown that it does not need tanks, aircraft, and advanced arms to win the war and only if we send four times as many infantrymen with light arms as Iraq onto the battlefield, will we easily win over the enemy."

We must add that in the previous year, during the different Al-Fajr operations of the Islamic Republic, thousands of people were killed using the human wave method at the war fronts.

9815/9871

CSO: 4640/340

IRAN

BRIEFS

NITC BUYS NORWEGIAN SUPERTANKERS--The Norwegian shipping firm of Irgens Larsen has sold two supertankers to the Iranian company NITC for around 150 million kroner. The ships are to be used for oil transports in the Persian Gulf. The sale assures oil shipping from the Iranian oil port on Khark Island. Oil exports from Iran were sharply reduced after the British shipper John Fredriksen pulled its ships out of this hazardous traffic. The Norwegian shipper purchased its ships just a few weeks ago from a tanker firm in Kuwait. Irgens Larsen made a profit of 19 million kroner on this fast deal, said the Norwegian Broadcasting Company television-news. [Text] [Oslo AFTENPOSTEN in Norwegian 4 Jul 86 p 4] /9604

CSO: 3639/131

PAKISTAN

NATIONAL ASSEMBLY PROCEEDINGS DISCUSSED IN COMMENTARY

Islamabad THE MUSLIM in English 16 Jun 86 pp 1, 3

[Commentary by Nusrat Javeed]

[Text]

ISLAMABAD, June 15: The National Assembly could not resume its Budget session for more than 45 minutes this morning for lack of quorum. Government had no choice but to seek suspension of Question Hour and proceed straight to privilege motions and then on to the general discussion.

The sole motion presented today came from Haji Saifullah who probably for the first time was weak on technical grounds. He was checked by M. Hamza who insisted that Saifullah was wasting time by pressing a motion which had no legs to stand on. He was equally angry with the Justice and Finance Minister who, he believed, was unnecessarily eager to reply to a motion which did not merit a reply. Except for this brief event there was nothing of much note in today's proceedings.

At best one could say that the speeches of Mir Zafarullah Khan Jamali and M. P. Bhandara were well prepared. Jamali was convincing in his criticism of the Government and so was Bhandara who described the Budget as 'ad hocist, myopic and unbalanced'. Bhandara, however, subtly projected the objectives seriously sought by some supporters of a 'strong country'. He too suggested redivision of provincial boundaries and creation of at least six new provinces as a remedy for the 'ills of growing provincialism where sub-nationalism was being put above nationalism'. None of the members seemed to be worried over such suggestions. Their behaviour rather reflected complacency.

In the same context of Centre province relations, newsmen seriously attempted to confirm rumours claiming that Arbab Jehangir, the Chief Minister of

NWFP, was to face a no-confidence move during this very session. Things have never been smooth between Arbab and the Centre. He militantly opposed construction of Kalabagh Dam, embarrassed the Federal Government over the Gadoon incident, demanded that only four subjects be given to the Centre and, above all, did not ask members from his province to vote for the Government against Syed Fakhat Imam.

Seen lobbying against him are Salim Saifullah and Kulsoom Saifullah, the influential leaders from Kark who developed serious difference with Jehangir after losing the recent Bannu by election. Jehangir ignored Mohsin Kark, the son-in-law of Interior Minister Aslam Khattak, while forming his cabinet. With help from Jamal Shah and Mian Iqbal, two provincial ministers, the family is pitted against Jehangir, hoping that Gauhar Ayub might also join them at a crucial stage.

Members from the NWFP, however, insisted that Government would commit a serious blunder if it moved a no-confidence motion against Jehangir. They say that Jehangir has cultivated broad based support for himself both within and outside the House. Opposition in the province, particularly NDP and PPP, also have a soft corner for him. Jehangir never denied that he saw Benazir's public meeting in Peshawar on April 26th and has never bothered to deny rumours that some of his close associates contributed to funds raised for Ms. Bhutto's reception and meeting in the province.

The IPG's house remains in disorder over the ticklish issue of

electing a leader of the opposition and to act in the House in an organised manner. The differences amongst them are so serious that some of them are not even on speaking terms with each other.

Their internal differences are also delaying a deal between the Independents and forces which stayed out of the February elections. Rao Rashid, Malik Meraj Khalid and Farooq Leghari three central leaders of the PPP are negotiating with members with a mandate from Ms. Benazir that if they resign en bloc from the Assembly the party would support them in the by elections. Members insist that PPP should declare that it would award them tickets for by-elections if they resigned, while PPP's position is that it would be difficult for them to take back the resigning members and provide them with PPP tickets for by-elections. This they say would alienate and frustrate those hard core PPP activists who not only stayed out of the February elections but also braved repression during the last nine years. They, however, are ready to give in writing to members that PPP would not field any candidate against them during the by elections. PPP also insists that instead of resigning one by one, 25 to 30 members should resign en bloc, forcing the government to hold by elections on these simultaneously and get defeated by candidates who would be seeking a mandate from the

people only for one demand i.e. holding of mid term polls as per rules of the '73 Constitution. The Independents are finding it difficult to ensure the exact number of members ready to resign on these conditions.

Further divisions are caused within the IPG ranks by members alleged to have links with the President. They are said to be waiting for the moment when "he gets frustrated with Premier Junejo and shows him the door." They are confident that once "differences between the President and Prime Minister are matured" one of them would be asked to form the new cabinet. They do not want to alienate the President by aligning with the PPP.

Another group is loudly saying that the Government is determined never to let the PPP, led by the Bhutto family, come to power. They, therefore, seek "a social democratic alternative" to the present government and PPP, without offending President Zia and his constituency. This group is pinning hopes on Ghulam Mustafa Jatoi who they believe, after being snubbed by Benazir, has no choice but to find "some place for himself within the system". Members are being sounded for his prospective party by a veteran "drawing room dealer", Hamid Raza Gilani. This group, however, has suffered tremendous loss after the news of a "divorce scandal" involving Ghulam Mustafa Khar, the ex-governor of Punjab who was expected to "drive the Jatoi vehicle in Punjab".

/9274

CSO: 4600/387

PAKISTAN

COMMENTARY VIEWS 'ALARMING' NATIONAL DEBT

Islamabad THE MUSLIM in English 13 Jun 86 p 4

[Commentary by Maleeha Lodhi]

[Text]

It has become axiomatic to say that Pakistan's dependence on foreign loans has increased markedly over the last decade. While Pakistan's external debt has grown, its capacity to service this debt has diminished. Most analysts have focused on this aspect of the country's debt problem. But what is less well known and perhaps more alarming is the growth of Pakistan's internal or domestic debt. In fact the high cost of domestic borrowing suggests that it is perhaps this which constitutes Pakistan's real debt problem.

Over the past decade Pakistan's external debt has risen from \$3 billion in 1971 to \$10.3 at the end of fiscal year 1985, representing an annual growth rate of 7%. At present total external debt constitutes 29% of GNP. The debt service burden has increased as the composition of capital inflows has changed from grant type assistance to loans and credit, repayable in hard currencies.

Indications are that Pakistan may be falling into the familiar debt trap syndrome that many Latin American countries have got themselves in. This means that increasing infusions of foreign capital are needed merely to service previous loans. As a result fresh loans only enable a country to roll over its debt. This appears to be the case with the recently committed US aid package of \$4 billion for Pakistan.

But even more disturbing is the size and implications of the country's domestic debt. Currently this totals Rs. 187 billion (roughly over \$11 billion) and constitutes 33% of GNP. So together, domestic and foreign debt comprise 62% of GNP. Interest payments on domestic and foreign debt as a percentage of total expenditure have risen from 9% in 1980-81 to 15% in 1985-86.

There has been a staggering growth in domestic non-bank borrowing, which includes national and defence saving certificates prize bonds and other special bonds. While external debt has increased at an annual compound growth rate of 7%, domestic debt has been rising by 20% per annum. In 1979-80 domestic non-bank borrowing financed a mere 9% of the budgetary deficit. But in 1986-87 it is estimated to finance 40%. Increased levels of domestic non-bank borrowing reflects the chronic disinclination of the government to make a serious attempt at domestic resource mobilisation. Instead of tapping new sources of revenue, the government simply chooses the seemingly easy route of borrowing.

Why is such domestic borrowing necessarily harmful for the economy? One reason is because of its high cost. The average interest on domestic non-bank borrowing is about 11%, as compared to about 3.5 to 4% for foreign borrowing. This puts a heavy strain on government budgetary resources. Interest payments on domestic debt are currently running at more than double that on external debt. However, it may still be all right to borrow at high cost if one could

see a visible impact in terms of higher investment rates leading to increased productive capacity. But investment has been falling. Gross fixed investment as a percentage of GNP in 1977-78 was 16% — in 1985-86 it was 14.9%.

Again, high cost borrowing is justifiable if one could discern an increase in public investment in physical and social (education and health) infrastructure, etc. or if one could see the country's energy problems being solved. But there is something seriously wrong if you are borrowing to finance current consumption, which appears to be the case. In purely financial terms — leaving aside questions of erosion of national sovereignty that growing external indebtedness inevitably involves — presumably it pays to borrow from external sources as one can assume that the government can at least earn a return of 4% (which is what it costs). Can the same be assumed about high cost domestic borrowing?

Domestic borrowing of such magnitude can also be deleterious for the economy because by tapping domestic private savings to finance public expenditure it reduces the availability of resources for the private sector, and hence can have the effect of crowding out private investment. This presumes of course that the money that has flowed into these saving schemes would otherwise have been used in productive activity.

The wider question that extensive reliance on domestic non-bank borrowing raises is whether such a policy of mortgaging future generations is either desirable or sustainable.

PAKISTAN

WRITER SUGGESTS NEED FOR 'NATIONAL' ARMY

Islamabad THE MUSLIM in English 12 Jun 86 p 4, 7

[Article, "Pakistan Needs a National Army" by M. Nawaz Khan]

[Text]

The title of this article may seem odd to some readers but when a large section of the people openly express dissatisfaction with Army's composition, its credentials as a truly national institution become doubtful. The question that demands an urgent answer is, what type of army does the country need, a professional, but rather elitist army as at present, a People's Army, as proposed by Air Marshal (Retd) Asghar Khan some time back or a standing army that may be viewed by one and all as a truly national army? The financial burden of maintaining a large army is also a related question, because, in the long run, the country can have only that army which can be maintained from its own resources. The post martial law government must find answers to these questions, but the answers may not be available within the set grooves of old conventional policies. It must therefore, consider and evaluate new ideas and options in respect of army's organisation and structure.

ALIENATION

Eight and a half years of martial law rule has left behind, to put it mildly, a feeling of alienation

towards the army among the intellectuals and leaders of public opinion throughout the country, particularly in those regions which are not fully represented in the army. This feeling must be reversed as quickly as possible and not allowed to solidify into a permanent cleavage between the people and the Army. The odious slogan of 'Punjabi Army' must be buried for ever by changing the army's composition.

The need to reduce expenditure on defence is perhaps even more urgent. Our defence budget is one of the highest in the world, both as percentage of GNP and of revenues. We have almost reached the stage where the burden of maintaining a large defence establishment is undermining the stability of our social and economic structure. Any further increase in defence expenditure at the cost of social services may result in a social explosion leading to economic collapse and there may be nothing left to defend. In fact, the need of the hour is not just containment of defence expenditure, but its reduction to release resources for providing basic needs of the people which are being denied even four decades after independence.

The quickest way to reduce defence expenditure is to reduce the size of the armed forces. But no responsible person would suggest this course of action without indicating how he proposes to reduce tensions on the country's borders. Since it is not intended to discuss in this article the related, but sensitive, issues of foreign policy, the question is being examined on the basis of existing strength of the army. Reduction in tensions, especially on

the eastern borders, if and when it comes about, will bring its own rewards, hopefully, in the form of balanced and mutual reduction of forces on both sides of the border.

The ideal solution would be some form of compulsory military service that would, as explained below, enable the country to reduce expenditure on defence without reducing the size of the armed forces. To make the scheme more acceptable, the concept can be expanded into a scheme of National Service so that those who are not called up for military service on attaining the prescribed age, are called up later to do national service in other fields like education, health, agriculture and rural uplift etc. If the period of national service is the same in both cases, and there is no wide disparity in the stipends paid to national service employees in different fields, the scheme will not be discriminatory against those who are called up for military service.

COMPOSITION

Only a change in the composition of the Army can bring about a change in its character and ethos and lead to its conversion into a truly national institution. Change in composition can be brought about within a few years if the proposed scheme of compulsory National Service is so administered that military call-up is spread over all districts in proportion to their population. Furthermore, if national service soldiers are paid only a stipend, not full emoluments of a regular soldier, expenditure on pay and allowances of the army will be considerably reduced even

if national service men are no more than 50 percent of the total strength of the army. It is by no means a novel suggestion. Many countries, which have compulsory military service, practise it. National servicemen may, however, be compensated in other ways. For example, each one of them may be trained in a trade of his choice before his transfer to the reserve. The reservists would thus acquire marketable skills before finishing their term of duty in the army that would make them productive members of the labour force. The intangible benefit of character building impact of a few years disciplined life in the army and advancement of national integration, through shared experience of army service, would be additional advantages of the scheme.

REAL SAVINGS

Real savings from the scheme would however, accrue some time after its introduction when there are trained reservists in every town and hamlet. That would be the time to reconsider the strategic doctrine on which our present defence plans are based. Instead of basing the plans on our capability to fight a conventional war for a few weeks, as at present, we could make the vast reservoir of trained manpower, spread all over the country, the linchpin of our strategy and plan for a long drawn peoples war. Once procedures and logistics of rapid mobilisation have been perfected by the general staff through repeated rehearsals, peace time strength of army units could be reduced drastically. The new strategy will also bring with it changes in arms and equipment needed by army. In a peoples' war, the army will have to be equipped mostly with indigenously produced weapons to ensure uninterrupted supply during war, even if the weapons were not the very latest. Moreover, instead of maintaining logistic units and facilities which are needed only in time of war, the army will depend on previously earmarked civilian organisations and facilities and thus avoid wastages of resources in peace time.

Unfortunately, introduction of compulsory national service does not just require an enabling legislation, it also requires national consensus at political level, acceptance of the concept by top brass of the army and, above all, a change in the attitude of people towards military service. In the absence of national consensus on the subject which is not yet visible on the political horizon, the idea of compulsory national service or, for that matter, any other similar

scheme, is not within the realm of practical politics, no matter what any individual political leader may have to say on the subject. It is possible that sooner or later political and economic realities may force political parties to consider some such solution but in the meantime, debate on this subject should continue to crystallise public opinion.

Having ruled out a radical change in the existing system for the time being, let us see if it was possible to achieve our objectives within the present framework. Since a change in army's composition is a prerequisite to a change in its ethos it is obvious that induction of more recruits from Sind and Baluchistan must be given the highest priority. In a system of voluntary recruitment, district-wise quota is the only option open to government to ensure proportionate recruitment from all regions of the country.

RESISTANCE

There will be resistance to this policy from many quarters but it should not be difficult to overcome it. The cause of national integration must override petty prejudices against recruitment from any particular area. Furthermore, all possible steps, like setting up of pre-cadet schools, should be taken to ensure selection of more cadets from Sind and Baluchistan. If necessary, standards of selection may be relaxed for cadets from these two provinces. Increase in number of officers from Sind and Baluchistan will also lead to greater recruitment of soldiers from these provinces.

The second step towards changing the character of the army must be a change in the psychology of its officer corps. For that purpose a beginning will have to be made by reforming the system of training so that cadets, when they pass out of the Military Academy, do not start considering themselves a class apart from their kith and kin not in uniform. Training methods, curricula and the whole atmosphere at the Academy will have to change. For this purpose, it may even be necessary to place the Military Academy and other service academies, under the direct control of the Ministry of Defence rather than the service headquarters.

Even small things, which have only symbolic significance, play a part in determining the character of an institution. If the symbols are rooted in the national psyche, they are helpful in giving a national character to the institution that uses them. All armies use symbols and rituals, e.g. battle honours, ceremonial parades and celebra-

tion of anniversaries etc, to indoctrinate the troops and create esprit de corps among them. Pakistan Army cannot be an exception to this practice but reverence for battle honours of colonial wars and celebration of pre-independence birth of old regiments, which one comes across even now, seem rather out of place in the army of the Islamic Republic of Pakistan. Such symbols are of no help in inculcating national pride in the soldiers. Our soldiers are not serving in a foreign legion that main prop for their indoctrination should be loyalty to their units and the army, not the State and the Nation.

Another anachronism of the colonial period, the rank of junior commissioned (formerly, viceroy commissioned) officer also needs to be mentioned. The British created the rank of VCO to bridge the racial, cultural and linguistic gap between the officers and the men commanded by them. Continuation of this rank serves no useful purpose now. On the other hand, it enables the officers to keep the men at a respectful distance and thus continue the class system bequeathed by colonial rulers. The only possible justification for continuation of the rank of JCO is that it provides an avenue of advancement to NCOs. This purpose could, however, be achieved in a better way by raising the pay and status of NCOs and by ensuring selection, in adequate numbers, of bright young soldiers as officer cadets. Elimination of rank of JCO will not only result in considerable savings in expenditure but also promote closer contacts between officers and men by removing an unnecessary tier in the regimental hierarchy.

As regards reduction or containment of expenditure within the framework of present policies, the first step should be re-establishment of full legislative control over the

defence budget. The National Assembly should assert its authority and refuse to accept the present format of the budget for Defence Services, which is a legacy of Ayubian martial law. A single line defence budget hardly enables the MNAs to do their duty towards their constituents in respect of expenditure on defence. The National Assembly must know, in some detail, how the amount voted by it is going to be spent by the Defence Services.

The second step in this direction must be re-establishment of administrative control of the Ministry of Defence over service headquarters. Successive martial laws have so eroded the authority of the Ministry of Defence that it has become, in some ways, the most ineffectual Ministry of the Federal Government. Once administrative control has been re-established, the ministry should closely examine sanctioned strength and rank structure of army units and formations and relate them to norms followed in other democratic countries. (Similar exercise will have to be done in respect of other two services also). Sanctions issued during martial law regimes would need special examination.

One would not like to contradict the former Defence Secretary who is reported to have said that there was no wastage of resources in defence services, but one would like to know whether he made that remark on the basis of some independent enquiry by his former ministry or simply on faith in the good sense of service chiefs. When the amount is so large and is being provided by denying even elementary amenities to the people, such things cannot be accepted on faith alone. The taxpayer needs more tangible evidence to believe that he is getting full value for his money.

/9274

CSO: 4600/387

PAKISTAN

MUSLIM LEAGUE PLANS STRATEGY AGAINST PPP

Islamabad THE MUSLIM in English 16 Jun 86 p 6

[Text]

MULTAN, June 15: Pakistan Muslim League would publish a pamphlet depicting excesses of the former Pakistan People's Party Government against political opponents, democratic institutions, the judiciary and the National Press to portray a real image of the party.

This was stated by the Punjab Industries Minister and General Secretary of the Punjab Muslim League Ghulam Haider Wynn, at a Press conference here today.

He said the pamphlet to be brought out shortly was a part of the move of the Muslim League to counter the PPP on the political plan.

He said that Ms Bhutto had selected July 5 to launch her party's campaign against the present setup. He said selection of the July 5 date was ominous as it was this day when this party dealt a final blow to democracy, judiciary and democratic institutions in the country.

It was on this date that the PPP was stripped off power because of its misdeeds giving way to Martial Law. It was in fact a day which marked the failure of the PPP as a political party.

He said the PPP rule reflected a worst type of dictatorship in the name of democracy and people in fact felt relieved when its government was toppled.

He said election in a democratic setup were part of democratic process and these must be held on time—neither before nor after the constitutional tenure.

He said Muslim League Government by allowing the PPP and opposition parties to hold meetings and processions had practically pro-

ved that it did not allow the administration to interfere in the political process.

If the Muslim League did not want the administration to work for its political purposes it would not allow bureaucracy to work for any opposition party. Those having soft corner for the PPP had no place in the administration, he warned.

He said a policy for cleaning of the administration was being worked out. Lists of the officials with bad record and who had completed 25 years of service were under preparation.

To a question, he said the opposition in the province would be allowed full freedom to play its role within the accepted political norms and laws of the land.

To a question if the Government would take to account such people who were identified as having committed excesses in the PPP Government, he said people were the best forum of holding accountability of politicians.

To another question, he said the Muslim League Government and its workers were prepared for accountability now and at any time. In response to another query he said that elections to Muslim League from primary league to provincial level or at least district level would be completed in August and September next.

He said that office bearers of these tiers would be issued identity cards for three years duration. These workers, he said, would help solve problems of the people from the local administration.

He said his party had the odious role of the workers of the PPP in view, and as such would elect only such people as were not only popular but also enjoyed good reputation.—APP

PAKISTAN

PALEJO EXPRESSES VIEWS ON FLIGHT OF SINDHIS, OTHER ISSUES

Islamabad THE MUSLIM in English 16 Jun 86 p 6

[Text]

HYDERABAD, June 15: Mr. Rasool Bux Palejo, the Secretary General of the left wing Awami Tehrik believes that the 'nationality' question is very acute in Sind and requires serious consideration and finally a befitting solution, for which the progressive forces of the country, specially from the Punjab, have to play a pivotal role.

The peasant leader, who returned on Friday evening to his native village Jung Shahi, some 60 miles from here after his release from jail after 7 year long detention gave his first wide ranging interview to "The Muslim" which covered the cultural and socio-political issues confronting the body politic of Pakistan, with special emphasis on Sind.

Citing a specific example of the present Sind situation he said the Sindhis are fast being transformed, artificially and through a conspiracy, into a minority within their own historical homeland, so that they are continuously dominated and economically exploited by the powers that be.

"Now this situation creates a challenge for the genuine progressives both of the smaller provinces and the Punjab", Mr. Palejo observed. Calling it a dilemma faced by the democrats and progressives of Pakistan, he said that in the smaller provinces the natives see the bureaucracy, the army and the whole state machinery busy safeguarding the political and economic domination of the people by the majority province. He said when they (the natives) cry out against their exploitation, domination and oppression, the democrats and the progressives of the smaller nationalities are left with two options, either to acknowledge this as a fact and join and lead their struggle against oppression or isolate themselves from the masses and be replaced by the pseudo nationalists, waderas, khans and

sardars etc., who will sell out their people at an earliest opportunity.

On the other hand, Mr. Palejo added that the democrats and the progressives of Punjab find it difficult to acknowledge the fact of their province's domination over other provinces. When the Punjabi masses are being radicalized, and are now increasingly listening and accepting the anti obscurantist, anti-jingoistic and anti-imperialistic views of their progressive leaders and when the people of Punjab are even prepared to agree to a 'reasonable' quantum of provincial autonomy to the provinces, these leaders are condemned just at that time more than ever before.

Mr. Palejo said that this sort of propaganda makes the Punjabi democrats and the progressives feel that their exercise was rather counter productive. They believe that if this was not halted, it will naturally result in isolating them from the masses and consequently throw the people of Punjab once again in the lap of reactionaries.

The Awami Tehrik leader believes that much could be said for and against the positions of both sides because the situation as such is very tricky and most difficult for the genuine progressives on both sides, hence a challenge to their sincerity, staunchness, persistence, ideological clarity, clear-headedness, tactical resourcefulness and creativity.

He emphasised that the genuine progressive in the smaller provinces as well as the majority province have to strike a balance between the two opposite "Pulls" and rationally resolve their contradictions and forge ahead unitedly to achieve the desired national goals.

Talking about the "messed up" educational institutions of Sind, Mr. Palejo opined that Sindhi stu-

dents had always been in the forefront of all the democratic movements and opposed the dictatorship and autocracy.

He said that with a view to "end all this", someone had the "bright" idea to enlist "goondas", armed with lethal weapons and let them loose on the educational institutions so that in the ensuing reign of terror Sindhi students should get pre-occupied with saving their lives from the gangsters and thus prevented from pursuing their traditional role of fighting for the cause of common man.

Mr. Palejo accused the regime of using the term "goondaism" amongst the students community to turn the campuses into regular prisons by surrounding them with high walls, electric wires and campus police etc.

When asked to comment on the present dispute ridden state of the MRD the Awami Tehrik leader remarked it was not quite unnatural, but called on the democratic forces to solve their problems in a democratic manner within the MRD fold, because the need to keep the MRD intact today is more vital than ever before.

To a query about the PPP's demand for fresh polls Mr. Palejo said genuine elections on party basis is one of the fundamental demands of the MRD, hence the call for elections is an MRD call and the Awami Tehrik strongly supported it.

About the merger of the four leftist parties, Mr. Palejo reiterated that all the important issues including the name and the flag of the party, the shape of the revolution that we want and the working modalities for the duration of the first one year have been decided after long and arduous negotiations. "Now some people want us to promise to vote this way or that way otherwise they will go back upon the agreed decisions," he disclosed and claimed that his party did not want any posts.

He agreed that if his party was assigned any task or given any office by the colleagues, "we shall perform our duties to the best of our skills". He urged the leaders of the merging parties to let everything be decided through friendly consultations, mutual accommodation and consensus.

To a question about the cultural and linguistic activity in Punjab, Mr. Rasool Bux Palejo welcomed the efforts to promote Punjabi, adding the progressive people support the activities for the development and flourishing of all the mother languages in the country. He said the Punjabi is a great language with a rich past and a bright future and much more needs to be done to give it the status that it deserves.

"As a student and admirer of the Punjabi literature, I am confident that it cannot remain in its present criminally neglected state for very long and is bound to forge ahead sooner than many may expect," he predicted.

Mr. Palejo who was released on June 7 last by a Judicial Review Board did not agree to the official claim that the judiciary had become fully independent after the lifting of the Martial Law.

He stressed that the credit for the "most inadequate and very nominal restoration of the powers of the judiciary" goes to the unrelenting and undaunted struggle of the people of the country in general and the MRD's movement of 1983 in particular.

Elaborating his party's policy on the Afghan issue, the Secretary General of Awami Tehrik termed it as a "festering wound", and alleged that on the pretext of Afghan problem some people are callously playing with the interests of the country.

Mr. Palejo was of the opinion that the war against the Afghan revolution must be stopped and an honourable peace established, if Pakistan is not to remain a play thing for the imperialists.

PAKISTAN

BIZENJO PROPOSES TWO MORE PROVINCES

Islamabad THE MUSLIM in English 16 Jun 86 p 8

[Article by Asif Durrani]

[Text]

QUETTA, June 15: Mir Ghous Bux Bizenjo, Chief of the Pakistan National Party, has said his party would give permanent resident status to the settler population who were living in Baluchistan before 1972.

Addressing a Press conference here at the residence of Dr Hakeem Lehri, Provincial PNP President he said those who had come after 1972 would not be eligible to become the permanent residents of this province. He also opposed the government's move to settle the Biharis and Afghan refugees in Baluchistan and said such a move would be resisted by his party at all levels.

He said, "We will not allow anyone to disturb the balance of population in Baluchistan". He recalled the tragedies in Assam and Chittagong where the governments tried to settle the outsiders against the wishes of the local population. He disclosed that the Bengalis or Biharis had to suffer at the hands of Assam's local population and in Chittagong the local population rose against the settlers.

He said those settlers who were residing before 1972 and shared the joys and sorrows of Baluchistan were quite eligible to live like the other natives of the province.

He said the manifesto of PNP

JUNE 15: Canadian police today announced they have arrested nine militant Sikhs from Ontario, Quebec and Montreal and some of them have been charged with conspiracy to undertake violent action, the BBC reported.

in regard to its policy towards the settlers was misunderstood by certain circles and they overreacted to the PNP's local and domicile policies. He said by holding the Press conference he wanted to remove the misunderstandings that have cropped up in the province. Replying to a question, the PNP chief said his party stood for the reorganisation of the boundaries of the provinces on linguistic basis and added that the Pashtoons living in Baluchistan had open option to join with the NWFP or remain in Baluchistan.

Replying to another question, Mir Bizenjo said on the linguistic basis, Pakistan could have five to six provinces. The new provinces he said, could be Saraiki Province and Potohar Province. He said the PNP would fully support the demands of Saraiki Province which he thought was genuine and justified.

Referring to the political situation in the country, the PNP chief said the rulers wanted to strengthen their power at the cost of the nation. He said certain moves of the regime vindicated its intentions of imposing emergency or something more to perpetuate their unlawful rule. He said the political forces would, however, continue their struggle till the realisation of democratic rights.

Referring to PPP's call for launching of a countrywide movement on July 5, Mir Bizenjo said his party would support all movements aimed at bringing a popular change in the country.

The PNP chief denied any move to form an alliance with the Pakistan People's Party.

/9274
CSO: 4600/387

SRI LANKA

PRESIDENT DECRIES TERRORISM, CALLS FOR POLITICAL SOLUTION

Colombo THE ISLAND in English 14 Jun 86 pp 1, 3

[Article by Suresh Mohamed]

[Text] President J. R. Jayewardene said yesterday that the government was making every effort to find a political solution to the current terrorist problem, but if the terrorists continued to seek a military solution, the government was also prepared to continue the battle to defend the integrity and sovereignty of Sri Lanka. "If they want us to continue, we will continue," he said.

President Jayewardene who was addressing a largely attended public rally at Dematagoda yesterday evening, also said that terrorists were now creating problems in Colombo by exploding bombs which kill innocent civilians.

People meet us and inquire what we intend to do about this. The government is doing everything possible to free the North and the East and restore peace in these areas. The public in these areas both Tamils as well as Muslims must be freed from the clutches of the terrorists. They should be given the freedom to elect their own representatives.

This government has allowed and preserved press freedom and the right to express oneself, to criticise and find fault with the government. The Opposition parties can print newspapers. A general Election will be held at the correct time. We all come in by the ballot. I am not a dictator. It is our duty to protect Sri Lanka, the President said.

He noted that it was Mrs. Bandaranaike who closed down or took over newspapers in the country during her regime. Elections and by elections were not held! In 1971 there was an attempt to topple the elected SLFP government at that time. The UNP then in the Opposition gave its ful-

lest support to the government at that hour of need. Today's situation is much more dangerous. This is not a problem of a few youths with some old guns and bombs, but well organised attempt with sophisticated weapons to destroy the sovereignty of Sri Lanka. I do not know

from where they get these modern and sophisticated weapons. The bomb explosions in Colombo caused serious damage and loss to life and property.

The terrorist movement in Sri Lanka today is one of the dangerous movements in the world. The Police and Security Forces are

fighting to protect the freedom of our motherland. They play a very significant role. When there is a fight or an altercation it is to the Police that one goes to to seek justice. The Police are not always armed with guns. They have only batons. The Army on the other hand is armed and are called in when there is widespread trouble or during an attempt to topple the government. Today the Army is in the North and East. Those in Colombo do not come out, he said.

The President also said that whatever anyone may say, it was the government that has to find a solution to the present problem. I ask Anura Bandaranaike and Mrs. Bandaranaike who can do this except the Head of the state that is me. The Army and the Police do as we say. If we ask them to leave the North and come to Colombo tomorrow they will all come. On the other hand if we tell them to search and destroy terrorists they will do so. The SLFP was defeated by the UNP both in 1977 and again in 1982. Our tenure in office is not over yet. After that the people can elect anybody they like.

President Jayewardene stressed that it is the only government that can eliminate the present problem of terrorism. The masses must extend their fullest support to the government to do this.

The President further

observed that the government would never allow a repetition of July 1983. we were not prepared then. A large number of Sinhalese lost their jobs as a result of the violence.

Like in the Philippines, the SLFP is trying to launch a campaign of street fighting, against the legally elected government of the country. The government is fully prepared for that. We will not even allow it to start. Those who attempt to start any-

thing of that kind will be dealt with. I won't say how, but they will be certainly dealt with. I have already asked my MPs to be prepared to face this. These are attempts to destroy innocent people in this country. We will never allow that. I know whose suggestions these are. My tenure in office will end in 1989.

I would like to join the Army and go to the North, but my time for that is over, the President said in lighter vein.

Prime Minister R. Premadasa said that the present problem was neither an ethnic nor a language problem, but a definite attempt by terrorists to destroy the integrity and sovereignty of Sri Lanka.

He added that thousands of houses constructed in the North could not be given away and development in the peninsula had come to a standstill due to terrorism.

Mr. Premadasa further said that there were opportunists making attempts to cash in on the present situation to achieve their own political ends. There is another section trying to achieve their personal ends, while another section is on the lookout for an opportunity to rob and loot.

Terrorists continue to attack innocent Sinhala villagers. What we must remember is that all Tamils in the North and the East do not support the terrorist elements.

We must remember that even innocent Tamils and Muslims had been killed in cold blood by the terrorists which is a powerful movement hell-bent on destroying the peace and freedom of our motherland, the Premier said. National Security Minister Lalith Athulathmudali said that today the terrorists had turned their attacks on civilian targets because it was impossible for them to attack Police Stations and Army Camps unlike three years ago. In Kili-nochchi last week the terrorists came into the open and finally the attackers had to flee when the Army repulsed the attack successfully. They ran in fear of the counter attack by the security personnel.

The National Security Minister added that he read in a newspaper recently that there had been 4000 bomb explosions in Paris during just one year.

/13104

CSO: 4600/395

END

END OF

FICHE

DATE FILMED

Aug. 21 1986

IL